

ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-second Legislature - First Regular Session

## MAJORITY CAUCUS CALENDAR

March 17, 2015

Bill Number	Short Title	Committee	Date	Action
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### Committee on Appropriations

**Chairman:** Justin Olson, LD25

**Analyst:** Jennifer Thomsen

**Vice Chairman:** Vince Leach, LD11

**Intern:** Meagan Swart

SCR 1004 auditor general; reappointment

SPONSOR: BURGESS, LD22

SENATE	2/16/2015	(29-0-1-0)
(NV: MIRANDA)		
APPROP	3/11 DP	(10-0-0-4-0)
(Abs: MEYER, STEVENS, CARDENAS, UGENTI)		

### Committee on Agriculture, Water and Lands

**Chairman:** Brenda Barton, LD6

**Analyst:** Tom Savage

**Vice Chairman:** Darin Mitchell, LD13

**Intern:** Christopher Palmer

SB 1078 office of pest management

SPONSOR: GRIFFIN, LD14

SENATE	2/16/2015	(29-0-1-0)
(NV: MIRANDA)		
AWL	2/26 DP	(6-0-0-3-0)
(Abs: MITCHELL, COBB, MONTENEGRO)		

### Committee on Banking and Financial Services

**Chairman:** Kate Brophy McGee, LD28

**Analyst:** Paul Benny

**Vice Chairman:** Jeff Weninger, LD17

**Intern:** Christopher Rasmussen

SB 1334 banking permit; branch office; fees

SPONSOR: FARNSWORTH D, LD16

SENATE	2/19/2015	(29-0-1-0)
(NV: WARD)		
BFS	3/3 DP	(7-0-0-1-0)
(Abs: FARNSWORTH E)		

SB 1337 state-chartered financial institutions; growth

SPONSOR: FARNSWORTH D, LD16

SENATE	2/19/2015	(29-0-1-0)
(NV: WARD)		
BFS	3/3 DP	(7-0-0-1-0)
(Abs: FARNSWORTH E)		

**Committee on County and Municipal Affairs****Chairman: Doug Coleman, LD16****Analyst: Ginna Carico****Vice Chairman: Tony Rivero, LD21****Intern: Robert Lewis****SB 1069** ordinances; businesses; prohibited security requirements**SPONSOR: SMITH, LD11**

SENATE 2/9/2015 (21-8-1-0)  
 (No: DALESSANDRO,CAJERO  
 BEDFORD,PANCRAZI,FARLEY,BRADLEY,HOBBS,QUEZADA,MEZA;  
 NV: ABLESER)  
 CMA 3/2 DPA (5-2-0-1-0)  
 (No: GABALDÓN,ESPINOZA; Abs: BOYER)

**SB 1072** local planning; residential housing; prohibitions**SPONSOR: SMITH, LD11**

SENATE 2/9/2015 (26-3-1-0)  
 (No: DALESSANDRO,PANCRAZI,QUEZADA; NV: ABLESER)  
 CMA 2/23 DPA (6-2-0-0-0)  
 (No: GABALDÓN,ESPINOZA)

**SB 1198** impounded cats; waiting period; applicability**SPONSOR: KAVANAGH, LD23**

SENATE 2/23/2015 (29-0-1-0)  
 (NV: CAJERO BEDFORD)  
 CMA 3/2 DP (7-0-0-1-0)  
 (Abs: BOYER)

**SB 1218** ~~technical correction; county treasurer~~  
 (Now: county recorder; recording fees)**SPONSOR: ALLEN, LD6**

SENATE 3/3/2015 (30-0-0-0)  
 CMA 3/9 DP (8-0-0-0-0)

**Committee on Commerce****Chairman: Warren H. Petersen, LD12****Analyst: Diana Clay****Vice Chairman: Jill Norgaard, LD18****Intern: Justin Larson****SB 1047** lottery prizewinners; confidentiality**SPONSOR: KAVANAGH, LD23**

SENATE 2/9/2015 (28-1-1-0)  
 (No: QUEZADA; NV: ABLESER)  
 COM 2/25 DP (6-1-0-1-0)  
 (No: MACH; Abs: SHOPE)

**SB 1098** public service corporations; hearings; exception**SPONSOR: KAVANAGH, LD23**

SENATE 2/16/2015 (29-0-1-0)  
 (NV: MIRANDA)  
 COM 3/11 DP (7-0-0-1-0)  
 (Abs: RIVERO)

**SB 1320** cosmetology board; makeup artists; exemption**SPONSOR: YEE, LD20**

SENATE 2/19/2015 (29-0-1-0)  
 (NV: WARD)  
 COM 3/11 DP (6-1-0-1-0)  
 (No: MACH; Abs: RIVERO)

**Committee on Education****Chairman: Paul Boyer, LD20****Analyst: Aaron Wonders****Vice Chairman: Jay Lawrence, LD23****Intern: Joey Pickels****SB 1037**~~technical correction; evidence; medical malpractice~~  
(Now: digital teaching; learning study committee)

SPONSOR: WARD, LD5

SENATE 3/3/2015 (30-0-0-0)  
ED 3/11 DP (5-1-0-1-0)  
(No: NORGAARD; Abs: OTONDO)**SB 1052**

charter school sponsors; community colleges

SPONSOR: ALLEN, LD6

SENATE 1/29/2015 (27-1-2-0)  
(No: DALESSANDRO; NV: SMITH, MEZA)  
ED 3/4 DPA (6-1-0-0-0)  
(No: OTONDO)**SB 1074**

unused school facilities; sale; lease

SPONSOR: WARD, LD5

SENATE 2/16/2015 (18-11-1-0)  
(No: DALESSANDRO, CAJERO  
BEDFORD, PANCRAZI, MCGUIRE, FARLEY, SHOOTER, CONTRERAS, HO  
BBS, ABLESER, QUEZADA, MEZA; NV: MIRANDA)  
ED 3/4 DP (7-0-0-0-0)**SB 1093**

online instruction; concurrent enrollment; testing

SPONSOR: SMITH, LD11

SENATE 2/9/2015 (24-5-1-0)  
(No: DALESSANDRO, PANCRAZI, CONTRERAS, HOBBS, QUEZADA; NV:  
ABLESER)  
ED 3/4 DP (7-0-0-0-0)**SB 1117**

online instruction; state-approved charter authorizers

SPONSOR: WARD, LD5

SENATE 2/16/2015 (29-0-1-0)  
(NV: MIRANDA)  
ED 3/4 DP (7-0-0-0-0)**SB 1131**

online charter schools; interscholastic activities

SPONSOR: KAVANAGH, LD23

SENATE 2/16/2015 (26-3-1-0)  
(No: DALESSANDRO, CAJERO BEDFORD, QUEZADA; NV: MIRANDA)  
ED 3/11 DPA (6-0-0-1-0)  
(Abs: OTONDO)**SB 1267**

schools; exempt fundraisers

SPONSOR: LESKO, LD21

SENATE 2/19/2015 (28-1-1-0)  
(No: DALESSANDRO; NV: WARD)  
ED 3/4 DP (7-0-0-0-0)**SB 1286**

charter schools; private postsecondary institutions

SPONSOR: YEE, LD20

SENATE 2/16/2015 (17-12-1-0)  
(No: DALESSANDRO, CAJERO  
BEDFORD, PANCRAZI, BEGAY, MCGUIRE, FARLEY, BRADLEY, CONTRE  
RAS, HOBBS, ABLESER, QUEZADA, MEZA; NV: MIRANDA)

ED 3/4 DP (5-1-1-0-0)  
 (No: OTONDO; Present: BOLDING)  
SB 1289 schools; letter classification; transition process  
 SPONSOR: WARD, LD5  
 SENATE 2/24/2015 (28-2-0-0)  
 (No: DIAL,ABLESER)  
 ED 3/4 DP (7-0-0-0-0)

SB 1461 ~~schools; reading assistance; dyslexic pupils~~  
 (Now: dyslexic pupils; schools; reading assistance)  
 SPONSOR: WARD, LD5  
 SENATE 3/5/2015 (30-0-0-0)  
 ED 3/11 DP (6-0-0-1-0)  
 (Abs: OTONDO)

#### Committee on Energy, Environment and Natural Resources

Chairman: Franklin M. Pratt, LD8

Vice Chairman: Russell "Rusty" Bowers, LD25

Analyst: Tom Savage

Intern: Christopher Palmer

SB 1079 solid waste collection; multifamily housing  
 SPONSOR: GRIFFIN, LD14  
 SENATE 2/9/2015 (24-5-1-0)  
 (No: DALESSANDRO,CAJERO  
 BEDFORD,PANCRAZI,BRADLEY,QUEZADA; NV: ABLESER)  
 EENR 3/9 DPA (7-2-0-0-0)  
 (No: STEELE,SALDATE)

SB 1465 distributed energy generation systems; disclosure  
 SPONSOR: LESKO, LD21  
 SENATE 2/26/2015 (26-2-2-0)  
 (No: FARLEY,QUEZADA; NV: WARD,ABLESER)  
 EENR 3/9 DP (7-2-0-0-0)  
 (No: STEELE,CLARK)

#### Committee on Federalism and States' Rights

Chairman: Kelly Townsend, LD16

Vice Chairman: Noel W. Campbell, LD1

Analyst: Justin Riches

Intern: Samantha Oswitch

SB 1318 abortion; health care exchange; licensure  
 SPONSOR: BARTO, LD15  
 SENATE 2/19/2015 (17-12-1-0)  
 (No: DALESSANDRO,CAJERO  
 BEDFORD,PANCRAZI,BEGAY,MCGUIRE,FARLEY,BRADLEY,CONTRE  
 RAS,HOBBS,ABLESER,QUEZADA,MEZA; NV: WARD)  
 FSR 3/11 DPA (5-3-0-0-0)  
 (No: WHEELER,VELASQUEZ,RIOS)

SCM 1006 urging Congress; Keystone pipeline; support  
 SPONSOR: GRIFFIN, LD14  
 SENATE 2/16/2015 (18-11-1-0)  
 (No: DALESSANDRO,CAJERO  
 BEDFORD,PANCRAZI,BEGAY,FARLEY,BRADLEY,CONTRERAS,HOBB  
 S,ABLESER,QUEZADA,MEZA; NV: MIRANDA)  
 FSR 3/4 DP (5-3-0-0-0)  
 (No: WHEELER,VELASQUEZ,RIOS)

SCM 1014 urging EPA; ozone concentration standard  
 SPONSOR: GRIFFIN, LD14

SENATE	2/19/2015	(19-10-1-0)
(No: DALESSANDRO,CAJERO BEDFORD,FARLEY,BRADLEY,CONTRERAS,HOBBS,ABLESER,MIRAN DA,QUEZADA,MEZA; NV: WARD)		
FSR	3/11 DP	(5-3-0-0-0)
(No: WHEELER,VELASQUEZ,RIOS)		

[SCR 1003](#) interstate medical licensure compact; opposition  
SPONSOR: WARD, LD5

SENATE	2/19/2015	(28-1-1-0)
(No: ABLESER; NV: WARD)		
FSR	3/11 DP	(5-3-0-0-0)
(No: WHEELER,VELASQUEZ,RIOS)		

#### Committee on Government and Higher Education

**Chairman: Bob Thorpe, LD6**

**Vice Chairman: John Christopher Ackerley, LD2**

**Analyst: Katy Proctor**

**Intern: Danny DeHoog**

[SB 1058](#) CORP; nondesignated positions  
SPONSOR: GRIFFIN, LD14

SENATE	1/29/2015	(28-0-2-0)
(NV: SMITH,MEZA)		
GHE	3/12 DP	(9-0-0-0-0)

[SB 1073](#) public records; redaction; former judges  
SPONSOR: SMITH, LD11

SENATE	1/29/2015	(28-0-2-0)
(NV: SMITH,MEZA)		
GHE	3/5 DP	(6-2-0-1-0)
(No: FRIESE,LOVAS; Abs: TOWNSEND)		

[SB 1091](#) homeowners' associations; removal; special meetings  
SPONSOR: LESKO, LD21

SENATE	2/19/2015	(29-0-1-0)
(NV: WARD)		
GHE	3/12 DP	(8-0-0-1-0)
(Abs: TOWNSEND)		

[SB 1095](#) community colleges; optional retirement plans  
SPONSOR: LESKO, LD21

SENATE	2/9/2015	(29-0-1-0)
(NV: ABLESER)		
GHE	2/26 DP	(6-0-0-3-0)
(Abs: LOVAS,PETERSEN,THORPE)		

[SB 1096](#) ASRS; actuarial valuation method  
SPONSOR: LESKO, LD21

SENATE	2/9/2015	(29-0-1-0)
(NV: ABLESER)		
GHE	3/5 DPA	(8-0-0-1-0)
(Abs: OLSON)		

[SB 1097](#) ASRS; health insurance benefits  
SPONSOR: LESKO, LD21

SENATE	2/9/2015	(29-0-1-0)
(NV: ABLESER)		
GHE	3/5 DP	(8-0-0-1-0)
(Abs: OLSON)		

[SB 1119](#) ~~distribution of revenues; technical correction~~  
(Now: ASRS; purchase of credited service)  
SPONSOR: LESKO, LD21

SENATE	2/19/2015		(29-0-1-0)
(NV: WARD)			
GHE	3/5	DP	(8-0-0-1-0)
(Abs: OLSON)			

[SB 1121](#) ASRS; participation opt out; continuation  
SPONSOR: LESKO, LD21

SENATE	2/9/2015		(29-0-1-0)
(NV: ABLESER)			
GHE	3/12	DP	(8-0-0-1-0)
(Abs: TOWNSEND)			

[SB 1169](#) fire code requirements; fire watch  
SPONSOR: ALLEN, LD6

SENATE	2/16/2015		(29-0-1-0)
(NV: MIRANDA)			
GHE	2/26	DP	(8-0-0-1-0)
(Abs: THORPE)			

[SB 1187](#) services outside municipal boundaries; requirements  
SPONSOR: GRIFFIN, LD14

SENATE	2/16/2015		(29-0-1-0)
(NV: MIRANDA)			
GHE	3/12	DP	(8-1-0-0-0)
(No: SALDATE)			

[SB 1201](#) ~~technical correction; Arizona historical society~~  
(Now: Arizona historical society; board; membership)  
SPONSOR: GRIFFIN, LD14

SENATE	3/4/2015		(29-0-1-0)
(NV: SHOOTER)			
GHE	3/12	DP	(8-0-0-1-0)
(Abs: OLSON)			

[SB 1210](#) statutory drafting and revision  
SPONSOR: BIGGS, LD12

SENATE	2/24/2015		(19-11-0-0)
(No: DALESSANDRO,CAJERO BEDFORD,PANCRAZI,FARLEY,BRADLEY,CONTRERAS,HOBBS,ABLE SER,MIRANDA,QUEZADA,MEZA)			
GHE	3/12	DP	(7-0-0-2-0)
(Abs: TOWNSEND,LARKIN)			

[SB 1287](#) ballot contents disclosure; prohibition  
SPONSOR: YEE, LD20

SENATE	2/23/2015		(29-0-1-0)
(NV: CAJERO BEDFORD)			
GHE	3/12	DP	(8-0-0-1-0)
(Abs: LARKIN)			

[SB 1298](#) rules; counties; flood control districts  
SPONSOR: GRIFFIN, LD14

SENATE	2/19/2015		(16-13-1-0)
(No: DALESSANDRO,CAJERO BEDFORD,PANCRAZI,BEGAY,MCGUIRE,FARLEY,BRADLEY,CONTRE RAS,HOBBS,ABLESER,MIRANDA,QUEZADA,MEZA; NV: WARD)			

GHE 3/12 DP (6-2-0-1-0)  
(No: FRIESE,SALDATE; Abs: LARKIN)

[SB 1342](#) responsibility of payment; utility services  
SPONSOR: GRIFFIN, LD14  
SENATE 2/19/2015 (22-7-1-0)  
(No: DALESSANDRO,CONTRERAS,HOBBS,ABLESER,MIRANDA,QUEZADA,MEZA; NV: WARD)  
GHE 3/12 DP (7-0-0-2-0)  
(Abs: SALDATE,LARKIN)

[SB 1368](#) municipalities; additional business licenses; prohibition  
SPONSOR: GRIFFIN, LD14  
SENATE 2/26/2015 (28-0-2-0)  
(NV: WARD,ABLESER)  
GHE 3/12 DP (8-0-0-1-0)  
(Abs: LARKIN)

[SB 1441](#) official state metal; copper  
SPONSOR: SMITH, LD11  
SENATE 2/19/2015 (29-0-1-0)  
(NV: WARD)  
GHE 3/5 DP (7-0-0-2-0)  
(Abs: TOWNSEND,OLSON)

[SB 1449](#) public monies; investment; pooled collateral  
SPONSOR: FARNSWORTH D, LD16  
SENATE 2/23/2015 (29-0-1-0)  
(NV: CAJERO BEDFORD)  
GHE 3/5 DPA (6-0-0-3-0)  
(Abs: TOWNSEND,PETERSEN,OLSON)

[SB 1451](#) investment of trust monies  
SPONSOR: FARNSWORTH D, LD16  
SENATE 2/23/2015 (29-0-1-0)  
(NV: CAJERO BEDFORD)  
GHE 3/5 DP (7-0-0-2-0)  
(Abs: TOWNSEND,OLSON)

[SB 1452](#) homeowners' associations; condominiums; director removal  
SPONSOR: FARNSWORTH D, LD16  
SENATE 2/19/2015 (29-0-1-0)  
(NV: WARD)  
GHE 3/12 DP (7-0-0-2-0)  
(Abs: TOWNSEND,OLSON)

[SB 1453](#) homeowners' associations; enforcement; elections; meetings  
SPONSOR: FARNSWORTH D, LD16  
SENATE 2/19/2015 (29-0-1-0)  
(NV: WARD)  
GHE 3/12 DP (8-1-0-0-0)  
(No: FRIESE)

#### Committee on Health

**Chairman:** Heather Carter, LD15  
**Analyst:** Ingrid Garvey

**Vice Chairman:** Regina Cobb, LD5  
**Intern:** Brennan Rohs

[SB 1008](#) chiropractic board; licensure; regulation; fees  
SPONSOR: BARTO, LD15  
SENATE 2/23/2015 (22-7-1-0)

(No: PIERCE,WARD,BIGGS,FARNSWORTH D,YEE,LESKO,BURGES;  
 NV: CAJERO BEDFORD)  
 HEALTH 3/10 DP (6-0-0-0-0)

[SB 1012](#) osteopathic board; licensure; regulation  
 SPONSOR: BARTO, LD15  
 SENATE 2/9/2015 (25-4-1-0)  
 (No: ALLEN,SMITH,FARNSWORTH D,BURGES; NV: ABLESER)  
 HEALTH 3/3 DP (6-0-0-0-0)

[SB 1034](#) AHCCCS; emergency services; case management  
 SPONSOR: WARD, LD5  
 SENATE 2/16/2015 (29-0-1-0)  
 (NV: MIRANDA)  
 HEALTH 2/24 DP (6-0-0-0-0)

[SB 1212](#) behavioral health examiners board  
 SPONSOR: BARTO, LD15  
 SENATE 2/16/2015 (29-0-1-0)  
 (NV: MIRANDA)  
 HEALTH 3/3 DP (5-0-0-1-0)  
 (Abs: BOYER)

[SB 1213](#) physician assistants; licensure; renewal  
 SPONSOR: BARTO, LD15  
 SENATE 2/16/2015 (28-0-2-0)  
 (NV: SHOOTER,MIRANDA)  
 HEALTH 2/24 DPA (6-0-0-0-0)

[SB 1214](#) homeopathic board; licensure; regulation  
 SPONSOR: BARTO, LD15  
 SENATE 2/23/2015 (29-0-1-0)  
 (NV: CAJERO BEDFORD)  
 HEALTH 3/10 DP (6-0-0-0-0)

[SB 1215](#) respiratory care; temporary licensure; repeal  
 SPONSOR: BARTO, LD15  
 SENATE 2/16/2015 (29-0-1-0)  
 (NV: MIRANDA)  
 HEALTH 3/3 DP (6-0-0-0-0)

[SB 1288](#) prescription drug coverage; medication synchronization  
 SPONSOR: YEE, LD20  
 SENATE 2/23/2015 (29-0-1-0)  
 (NV: CAJERO BEDFORD)  
 HEALTH 3/10 DP (6-0-0-0-0)

[SB 1290](#) independent medical examinations; board complaints  
 SPONSOR: WARD, LD5  
 SENATE 2/19/2015 (29-0-1-0)  
 (NV: WARD)  
 HEALTH 3/10 DP (6-0-0-0-0)

#### **Committee on Insurance**

**Chairman:** Karen Fann, LD1  
**Analyst:** Paul Benny

**Vice Chairman:** David Livingston, LD22  
**Intern:** Christopher Rasmussen

[SB 1166](#) health care insurance; utilization review  
 SPONSOR: FARNSWORTH D, LD16  
 SENATE 2/16/2015 (29-0-1-0)  
 (NV: MIRANDA)  
 INS 3/4 DP (7-0-0-1-0)  
 (Abs: LIVINGSTON)



**Committee on Judiciary****Chairman: Edwin W. Farnsworth, LD12****Analyst: Gina Kash****Vice Chairman: Sonny Borrelli, LD5****Intern: Morganne Barrett****SB 1048**

vexatious litigants; fees; costs; designation

SPONSOR: KAVANAGH, LD23

SENATE 2/16/2015 (28-0-2-0)

(NV: HOBBS, MIRANDA)

JUD 3/11 DP (6-0-0-0-0)

**SB 1063**

obstructing a highway; public thoroughfare

SPONSOR: KAVANAGH, LD23

SENATE 2/16/2015 (21-8-1-0)

(No:

DALESSANDRO, FARLEY, BRADLEY, CONTRERAS, HOBBS, ABLESER, D

RIGGS, QUEZADA; NV: MIRANDA)

JUD 3/11 DP (4-2-0-0-0)

(No: FRIESE, HALE)

GHE 3/12 DP (5-2-0-2-0)

(No: FRIESE, LARKIN; Abs: TOWNSEND, OLSON)

**SB 1179**

criminal damage; gangs; criminal syndicates

SPONSOR: SMITH, LD11

SENATE 3/5/2015 (28-1-1-0)

(No: QUEZADA; NV: DIAL)

JUD 3/11 DP (6-0-0-0-0)

**SB 1295**

fingerprinting; judgment of guilt; records

SPONSOR: SMITH, LD11

SENATE 2/19/2015 (29-0-1-0)

(NV: WARD)

JUD 3/11 DP (6-0-0-0-0)

**Committee on Military Affairs and Public Safety****Chairman: Sonny Borrelli, LD5****Analyst: Casey Baird****Vice Chairman: Mark Finchem, LD11****Intern: Delaney Krauss****SCM 1008**

disability rating process; veterans

SPONSOR: SMITH, LD11

SENATE 2/9/2015 (29-0-1-0)

(NV: ABLESER)

MAPS 2/26 DP (9-0-0-0-0)

**Committee on Rules****Chairman: David W. Stevens, LD14****Vice Chairman: Steve Montenegro, LD13****Rules attorney to provide explanation upon request**

SB 1211

reviser's technical corrections; 2015

SPONSOR: BIGGS, LD12

SENATE 2/16/2015 (29-0-1-0)

(NV: MIRANDA)

**Committee on Transportation and Infrastructure****Chairman: Rick Gray, LD21****Vice Chairman: David W. Stevens, LD14****Analyst: Justin Riches****Intern: Samantha Oswitch****SB 1146**

personalized classic car license plates

SPONSOR: GRIFFIN, LD14

SENATE	2/16/2015	(29-0-1-0)
(NV: MIRANDA)		
TI	3/3	DP (9-0-0-0-0)

**Committee on Ways and Means**

**Chairman: Darin Mitchell, LD13**

**Analyst: Ryan Sullivan**

**Vice Chairman: Anthony Kern, LD20**

**Intern: Matthew VanBenschoton**

[SB 1240](#) tobacco tax statutes; reorganization

SPONSOR: LESKO, LD21

SENATE	2/25/2015	(28-0-2-0)
(NV: BEGAY,ABLESER)		
WM	3/9	DP (7-0-0-2-0)
(Abs: MESNARD,UGENTI)		

[SB 1312](#) fire districts; operations; revisions

SPONSOR: ALLEN, LD6

SENATE	2/19/2015	(29-0-1-0)
(NV: WARD)		
WM	3/9	DP (7-0-0-2-0)
(Abs: MESNARD,UGENTI)		



# HOUSE OF REPRESENTATIVES

SCR1004

auditor general; reappointment

Sponsor: Senator Burges

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**DP** Committee on Appropriations

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SCR 1004 approves the reappointment of Debra K. Davenport as the Auditor General of the State of Arizona.

## HISTORY

The Office of the Auditor General (OAG) is established by Arizona Revised Statutes (A.R.S.) § 41-1279 to make recommendations to improve operations of state and local governmental entities and as an independent source of impartial information.

The Joint Legislative Audit Committee (JLAC) gives direction to the OAG and oversees auditing functions of the Legislature. JLAC also appoints the Auditor General to a five year renewable term through a majority vote in both legislative chambers. To be appointed as Auditor General an individual must be a Certified Public Accountant licensed to practice in Arizona, subject to the standards and ethics of the Arizona State Board of Accountancy. (A.R.S. § 41-1279.01)

Debra K. Davenport was appointed as the Auditor General on October 12, 1999 and has since been reappointed for three terms.

## PROVISIONS

1. Approves the reappointment of Debra K. Davenport as Auditor General.
2. States that Debra K. Davenport fulfills the statutory requirements of Auditor General and is eligible for reappointment.



# HOUSE OF REPRESENTATIVES

SB 1078

office of pest management

Sponsors: Senator Griffin; Representatives Mitchell, Stevens, et al.

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**DP** Committee on Agriculture, Water and Lands

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1078 clarifies that political subdivision employees are allowed to apply pesticides for a political subdivision no more than 90 calendar days prior to certification and specifies that a termite action report form is for termite action only.

## HISTORY

The Office of Pest Management (OPM) licenses nonagricultural, commercial pest control businesses and regulates the pesticide applicators and inspectors employed by these companies. Laws 2011, Chapter 20 established the OPM within the Arizona Department of Agriculture (ADA) and provided for the temporary transfer of administrative authority of the OPM to the ADA. The OPM is a 90/10 agency that is overseen by the ADA's Environmental Services Division.

Laws 2013, Chapter 125 provided for the permanent transfer of administrative authority of the OPM to the ADA and prescribed exemptions from licensure and registration requirements, including exemptions for political subdivisions and landscapers, among other changes.

Arizona Revised Statutes (A.R.S.) § 32-2311.01 currently exempts an employee of a political subdivision from certification requirements if the employee applied pesticides for the political subdivision for the first time no more than 90 days before certification, except if the employee applies pesticides at a school or child care facility.

Current statute requires a licensed business or a certified applicator to file a termite action report form with the OPM within 30 days after completion of a pretreatment, a new-construction treatment, a final grade treatment, an initial corrective treatment or a wood-destroying insect inspection report (A.R.S. § 32-2331).

## PROVISIONS

1. Clarifies that political subdivision employees are allowed to apply pesticides for a political subdivision no more than 90 calendar days prior to certification.
2. Specifies that a termite action report form is required for termite action only and does not include all wood destroying organisms.
3. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

SB 1334

banking permit; branch office; fees

Sponsors: Senators Farnsworth D: Ableser, Allen, et al.

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**DP** Committee on Banking and Financial Services

**X** Caucus and COW

House Engrossed

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## **OVERVIEW**

SB 1334 reduces the nonrefundable application fees for a banking permit and a banking branch office.

## **HISTORY**

The Department of Financial Institutions (DFI) is statutorily charged with the licensing, supervision, and regulation of state-chartered financial institutions and enterprises. The regulated entities include money transmitters, motor vehicle dealers, collection agencies, consumer lenders, mortgage banks and brokers, credit unions and banks.

Current law prohibits a person from engaging in the business of receiving money on deposit subject to payment by check or any other form of order or request or on presentation of a certificate of deposit or any other evidence of debt without first obtaining a banking permit from DFI. A person may apply for a permit by submitting an application containing information, data, and records as the Superintendent of DFI (Superintendent) may require, along with a nonrefundable application fee. Banking permits are valid until surrendered to or revoked by the Superintendent.

Statute sets the application fee for a banking permit at \$10,000, and for a banking branch office a fee of \$1,500 (Arizona Revised Statutes § 6-126).

## **PROVISIONS**

1. Decreases the nonrefundable application fee as follows:
  - a. A banking permit, from \$10,000 to \$5,000,
  - b. A banking branch office, from \$1,500 to \$750.



# HOUSE OF REPRESENTATIVES

## SB 1337

state-chartered financial institutions; growth

Sponsors: Senators Farnsworth D, Begay: Ableser, et al.

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**DP** Committee on Banking and Financial Services

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1337 requires the Superintendent of the Department of Financial Institutions (Superintendent) to encourage the growth of state-chartered financial institutions.

### HISTORY

The Department of Financial Institutions (DFI) is statutorily charged with the licensing, supervision, and regulation of state-chartered financial institutions and enterprises. The regulated entities include money transmitters, motor vehicle dealers, collection agencies, consumer lenders, mortgage banks and brokers, credit unions and banks. Arizona Revised Statutes (A.R.S.) § 6-122 requires the Superintendent to periodically examine financial institutions, accounts held in trust by an escrow agent, and premium finance companies.

A.R.S. § 6-101 defines *financial institutions* as banks, trust companies, savings and loan associations, credit unions, consumer lenders, international banking facilities, and financial institution holding companies under the jurisdiction of DFI.

According to the Arizona Office of the Auditor General (report no. 13-05), as of October 2012, there were 18 state-chartered banks and 20 state-chartered credit unions. According to DFI, in 2013 there were 14 state-chartered banks and 20 state-chartered credit unions, and in 2014, there were 12 state-chartered banks and 20 state-chartered credit unions.

### PROVISIONS

1. Requires the Superintendent to make it a priority to encourage the growth of state-chartered financial institutions.
2. Stipulates that if the total number of state-chartered banks or state-chartered credit unions decreases during the prior calendar year, the Superintendent must notify the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 1 of each calendar year.
3. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1069

ordinances; businesses; prohibited security requirements

Sponsor: Senator Smith

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**DPA** Committee on County and Municipal Affairs

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1069 prohibits municipalities and counties from adopting ordinances or resolutions that require retail businesses to comply with specific security requirements.

## HISTORY

Arizona Revised Statutes (A.R.S.) Title 9 regulates cities and towns. Specifically, A.R.S. § 9-240 authorizes municipalities to establish markets, regulate their use, and regulate the sale of various produce. In order to conserve and promote the public health, safety and general welfare, the legislative body of any municipality may regulate by ordinance the use of buildings, structures, and land, regulate the size of buildings, and create civic districts around civic centers, public parks, public buildings or public grounds (A.R.S. § 9-462.01). Municipalities may also build and repair sewers, tunnels, and drains, erect lights, and appoint a board of health (A.R.S. § 9-276).

A.R.S. § 11-201 outlines the authority of counties including the power to sue and be sued and purchase and hold lands within its limits. The statutory powers of a county board of supervisors include establishing and changing election precincts, managing public roads within the county, and adopting ordinances for the prevention, abatement, and removal of graffiti (A.R.S. § 11-251).

On July 14, 2011, the City of Mesa adopted Ordinance 5056 requiring certain convenience stores including those that have had an average of 30 calls to law enforcement per year for the 4 years preceding the effective date to comply with specific security requirements including:

- Posting no-trespassing signs at each public entrance and exit;
- Ensuring that safety training is provided for and completed by employees; and
- Providing, maintaining, and operating indoor and outdoor surveillance cameras.

The ordinance authorizes the Chief of Police of the City of Mesa to require additional security requirements if he or she determines that a convenience store continues to have excessive calls for police service despite compliance with all required security measures (§ 6-22-10).

## PROVISIONS

1. Prohibits municipalities and counties from adopting ordinances or resolutions that require retail businesses to comply with specific security requirements, including the installation of security cameras or lights, based on any of the following:
  - a. The size of the business.
  - b. The type of business.
  - c. The number of calls made by the business to law enforcement.
2. Stipulates that *retail business* does not include a bar, restaurant, or business with live entertainment, for the purposes of this Act.
3. Declares that the regulation of retail businesses is a matter of statewide concern.

4. Asserts that the regulation of retail businesses pursuant to this Act is not subject to further regulation by municipalities, including charter cities, or counties.

#### **AMENDMENTS**

1. Clarifies that *retail business* does not include any business that serves alcohol, dispenses or cultivates medical marijuana, requires age verification for admittance or a business with live entertainment, for the purposes of this Act.
2. Limits the prohibition of further regulation on retail businesses pursuant to this Act to the imposition of security requirements.
3. Makes conforming and clarifying changes.





# HOUSE OF REPRESENTATIVES

SB 1072

local planning; residential housing; prohibitions

Sponsors: Senator Smith; Representative Mitchell; Senator Meza, et al.

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**DPA** Committee on County and Municipal Affairs

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1072 restricts municipalities and counties from establishing the sales or lease price for residential housing or dwelling lots and requiring the sale or lease to any particular class or group of residents.

## HISTORY

Arizona Revised Statutes (A.R.S.) §§ 9-462.01 & 11-811 requires municipalities and counties to establish zoning and rezoning ordinances or regulations consistent with the municipality's general plan and the county's comprehensive plan. Statute outlines what municipalities and counties may regulate by ordinance in order to conserve and promote the public health, safety and general welfare.

Inclusionary zoning typically refers to a program adopted by political subdivisions through ordinance which requires a percentage of housing units in new residential developments be made available to individuals with low and moderate incomes. In some states, inclusionary zoning programs offer developers incentives, such as density bonuses, expedited approval and fee waivers to reduce construction costs.

A.R.S. § 33-1329 prohibits cities and towns, including charter cities, from having the power to impose rent controls on private residential housing units. Cities and towns are not precluded from controlling the rent of residential property that is owned, financed, insured or subsidized by any state agency, city or town.

## PROVISIONS

1. Prohibits a municipality or county from adopting land use regulations, general or specific plan provisions, or imposing as a condition for approving a building or use permit a requirement or fee that has the effect of any of the following:
  - a. Establishing the sales or lease price for a residential housing unit, residential dwelling lot or parcel; or
  - b. Requiring a residential housing unit or residential dwelling lot or parcel be designated for sale or lease to any particular class or group of residents.
2. Asserts that this Act does not limit the authority of a municipality or county to adopt or enforce a land use regulation, general or specific plan provision or condition of approval that creates or implements an incentive, density bonus or other voluntary provision or condition designed to increase the supply of moderate or lower cost housing.
3. Applies retroactively to January 1, 2015.
4. Makes technical and conforming changes.

## AMENDMENTS

### **Committee on County and Municipal Affairs**

1. Makes a technical change.



# HOUSE OF REPRESENTATIVES

SB 1198

impounded cats; waiting period; applicability

Sponsor: Senator Kavanagh

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**DP** Committee on County and Municipal Affairs

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1198 exempts eligible cats from the minimum holding requirement of 72 hours at the county pound.

## HISTORY

Arizona Revised Statutes § 11-1013 allows the county board of supervisors in each county to provide or authorize a county pound or pounds or enter into a cooperative agreement with a city, a veterinarian or an Arizona incorporated humane society for the establishment and operation of a county pound. Any stray dog must be impounded and all dogs and cats impounded must be given proper care and maintenance. Current statute requires each stray dog or impounded cat to be kept and maintained at the county pound for a minimum of 72 hours or 120 hours if the animal is wearing a license, unless claimed sooner by its owner.

A.R.S. § 11-1022 defines *sterilization* as the surgical removal of the reproductive organs of a dog or cat or the use of humane nonsurgical methods and technologies approved by the Food and Drug Administration, the US Department of Agriculture or the Environmental Protection Agency to permanently render the animal unable to reproduce.

## PROVISIONS

1. Exempts impounded cats from the minimum holding period of 72 hours at the county pound if the cat meets the following conditions:
  - a. Is eligible for the sterilization program; and
  - b. Will be returned to the vicinity where the cat was originally captured.
2. Defines *eligible* for the purposes of this Act as a cat that is living outdoors, lacks discernible identification, is of sound health and possesses its claws.
3. Clarifies that the county pound must keep and maintain an animal *impounded with a microchip or any other discernible form of owner identification* for 120 hours.
4. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1218

county recorder; recording fees

Sponsor: Senator Allen

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**DP** Committee on County and Municipal Affairs

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1218 prescribes fees to be paid to the county recorder for certain deeds.

### HISTORY

County recorders are statutorily required to have custody of and keep all records, maps and papers deposited in the recorder's office. Currently, the county recorder charges fees for recordings including:

- \$5 for the first five pages and \$1 for each additional page for papers required or authorized by law to be recorded, if the fee is not otherwise specified. The charge for additional pages shall not exceed \$250.
- \$1 for each page or partial page for preparing and certifying copies of a record. There is an additional \$3 charge for attaching the recorder's certificate and seal.
- \$1 charge for each instrument required to be delivered by mail.

The county board of supervisors may assess a special recording surcharge not to exceed \$4 to be deposited into the Document Storage and Retrieval Conversion and Maintenance Fund (Fund) for filings with the county recorder (Arizona Revised Statutes §§ 11-461, 11-475, 11-475.01).

On November 20, 2013, the Consumer Financial Protection Bureau issued final rules amending existing requirements for mortgage disclosures to fulfill a requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. The resulting disclosure forms under the new rules replace current forms and are commonly referred to as the "Know Before You Owe" mortgage disclosure. These rules become effective for mortgage applications received on or after August 1, 2015.

### PROVISIONS

1. Requires the following fees be paid to the county recorder:
  - a. \$10 for each release of a deed of trust or mortgage.
  - b. \$15 for each deed that transfers, conveys or affects an interest in real property.
  - c. \$25 for each deed of trust or mortgage.
2. Stipulates that these fees include the \$1 charge for delivery by mail and any surcharge to be deposited into the Fund.
3. Directs a person recording a deed of trust or mortgage for residential property constructed for at least one family but not more than four families to include "Residential 1-4" in the caption heading on the first page of each document.
  - a. Asserts that failure to comply with this requirement will not affect the validity or the recording of the document.
4. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1047

lottery prizewinners; confidentiality

Sponsor: Senator Kavanagh

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**DP** Committee on Commerce

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1047 allows the names of persons or legally formed entities that receive lottery prizes to be confidential for 90 days from the date the prize is awarded.

## HISTORY

Arizona Revised Statutes (A.R.S.), Title 5, Chapter 5.1, establishes the Arizona State Lottery (Lottery) and the Arizona State Lottery Commission (Commission). The Lottery includes both instant games and drawings, and administers state sanctioned revenue. The Commission consists of five members who are appointed by the governor and confirmed by the Senate to five year terms. The Commission regulates, conducts and administers the Arizona State Lottery, provides for the licensure of agents, distributes lottery revenue and sets codes of conduct and penalties for running the Lottery.

Current law mandates the names of winners of prizes totaling \$600 or more to be reviewed by state agencies. A.R.S. § 5-575 requires the Commission to establish a *liability setoff program* in which lottery prize payments may be used to satisfy debts owed by the prizewinner to the state, including outstanding child support payments. An agency may contact the Commission with the name and social security number of the debtor and the Commission will then match the information sent by the agency with the prizewinner. If the information matches, the amount of the debt will be set off from the prize due to the winner.

The Commission is also required to provide the Department of Economic Security (DES) with the names and social security numbers of these prizewinners. The purpose of this requirement is outlined in A.R.S. § 41-1965, which requires the Director of DES to determine if the prizewinner is receiving assistance from any DES financial assistance program. If the prizewinner is receiving assistance, the Director is required to redetermine the eligibility of that person to receive the assistance.

## PROVISIONS

1. Permits the names of people or legally formed entities that receive lottery prizes to be kept confidential and off of the public record for 90 days from the date the prize is awarded.
2. States that information regarding the prizewinner's city and county of residence is not confidential.
3. Allows a prizewinner to waive the provisions relating to confidentiality by voluntarily disclosing the prizewinner's name.
4. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1098

public service corporations; hearings; exception

Sponsor: Senator Kavanagh

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**DP** Committee on Commerce

**X** Caucus and COW

House Engrossed

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## **OVERVIEW**

HB 1098 revises the maximum gross operating revenue for small public service corporations (Corporations) that request a rate increase from the Arizona Corporation Commission (Commission) without having an administrative hearing.

## **HISTORY**

The Commission is established by Article XV of the Arizona State Constitution, consisting of five members elected to four year terms in the general election.

Arizona Revised Statutes (A.R.S.) § 40-202 authorizes the Commission to regulate all Corporations in the state. The definition of a Corporation includes all corporations other than municipal engaged in services involving gas, oil, electricity, water, fire protection, sewage and other related services. Arizona Administrative Code, Title 14, Chapter 2, classifies fixed utilities, which are broken down into five categories based on annual operating revenue.

A.R.S. § 40-250 prohibits Corporations from increasing rates, or making alterations that result in a rate increase, without first showing the Commission that the increase is justified. Current law authorizes Corporations with gross operating revenues of less than \$250,000, including any requested rate of relief, to request a rate increase without having an administrative hearing.

## **PROVISIONS**

1. Increases the maximum gross operating revenue for Corporations to request a rate increase from the Commission without having an administrative hearing from \$250,000 to \$1,000,000.
2. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1320

cosmetology board; makeup artists; exemption

Sponsors: Senators Yee, Allen, Barto, et al.

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**DP** Committee on Commerce

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1320 exempts people who apply makeup, including eyelash enhancements, from the statutory provisions pertaining to cosmetology, except in the practice of aesthetics or cosmetology.

## HISTORY

Arizona Revised Statutes (A.R.S.) Title 32, Chapter 5, establishes the Arizona State Board of Cosmetology (Board) to protect the public through the licensure and regulation of the cosmetology industry. The Board currently issues licenses to cosmetologists, aestheticians, nail technicians and instructors as well as salons and schools. Current statute requires the Board to fulfill many functions, including the adoption, administration and enforcement of rules and the preparation, administration and grading of exams. The Board is also authorized to inspect schools and salons during business hours.

A.R.S. § 32-506 currently exempts multiple makeup-related services from the statutory provisions pertaining to cosmetology, including: people employed by theatrical groups who apply makeup; people who apply makeup, oils or cosmetics in the process of selling these products; and, people who apply makeup, oils and cosmetics to patients in hospitals, nursing homes or residential care institutions.

## PROVISIONS

1. Exempts people who apply makeup, including eyelash enhancements, from the statutory provisions pertaining to cosmetology, except in the practice of aesthetics or cosmetology.
2. Requires makeup artists who are exempt from the statutory provisions pertaining to cosmetology to conspicuously post a sign in their place of business stating that their services are not regulated by the Board.
3. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1037

NOW: digital teaching; learning study committee

Sponsor: Senator Ward

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1037 establishes the Study Committee on Digital Teaching and Learning (Committee).

## HISTORY

Laws 2006, Chapter 375, established the Arizona E-Learning Task Force (Task Force). The Task Force is responsible for examining e-learning programs in other states, analyzing potential methods to implement e-learning programs in Arizona, developing innovative e-learning solutions and submitting recommendations to the Arizona State Legislature and the Arizona State Board of Education (SBE). E-learning programs include web-based learning, computer-based learning, virtual classrooms, and digital collaboration. The Task Force reports annually to the Legislature on e-learning programs and will sunset July 1, 2016.

## PROVISIONS

1. Establishes the 15 member Committee consisting of the following:
  - a. Three members of the Senate, only two from the same political party, appointed by the President of the Senate.
  - b. Three members of the House of Representatives, only two from the same political party, appointed by the Speaker of the House of Representatives.
  - c. The Superintendent of Public Instruction or the Superintendent's designee.
  - d. One elementary school teacher, appointed by the Speaker of the House of Representatives.
  - e. One high school teacher, appointed by the President of the Senate.
  - f. One school district superintendent or school district principal, appointed by the Speaker of the House of Representatives.
  - g. One operator, principal or superintendent of a charter school, appointed by the President of the Senate.
  - h. One member who has extensive digital educational content experience, appointed by the Governor.
  - i. One member of the private sector business community who has expertise in workforce development and is an owner or employee of a business with fewer than 500 employees that does not sell products or services to public schools, appointed by the Governor.
  - j. One member who has extensive experience with mobile device connectivity infrastructure, appointed by the Governor.
  - k. One member who has extensive experience in independent program evaluation of technology initiatives, appointed by the Governor.
2. Requires one Senator, appointed by the President of the Senate, and one Representative, appointed by the Speaker of the House, to be cochairpersons of the Committee.
3. Specifies that Committee members are not eligible to receive compensation, but are eligible to receive reimbursement of expenses.
4. Directs the Committee to:
  - a. Examine digital teaching and learning programs in other states.

- b. Study the potential methods and benefits of implementing new digital teaching and learning programs or modifying existing programs.
  - c. Submit an annual report regarding the Committee's findings and recommendations for administrative or legislative action by December 15 to the Governor, the President of the Senate and the Speaker of the House of Representatives and provide a copy of the report to the Secretary of State.
5. Repeals the Committee on July 1, 2020.





# HOUSE OF REPRESENTATIVES

## SB 1052

charter school sponsors; community colleges

Sponsors: Senators Allen, Begay; Representative Barton, et al.

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**DPA** Committee on Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1052 removes the full-time equivalent student enrollment (FTSE) threshold required for community college district sponsorship of a charter school.

### HISTORY

Arizona Revised Statutes § 15-183 requires an applicant seeking to establish a charter school to submit an application to a prospective sponsor that includes a detailed education plan, detailed business plan, detailed operational plan and any other materials required by the sponsor. The charter school sponsor may contract with a public body, private person or private organization to establish a charter school. A charter school may be sponsored by any of the following:

- A school district governing board.
  - Only for charter schools that began operations before July 1, 2013.
- The Arizona State Board of Education.
- The Arizona State Board for Charter Schools.
- An Arizona Board of Regents university.
- A community college district with greater than 15,000 FTSE.
- A group of community college districts with a combined FTSE greater than 15,000.

### PROVISIONS

1. Removes the FTSE threshold required for a single or group of community college districts to sponsor charter schools.
2. Makes a conforming change.

### AMENDMENTS

#### **Committee on Education**

1. Authorizes a college or community college that is owned, operated or chartered by an Indian tribe to sponsor a charter school.



# HOUSE OF REPRESENTATIVES

SB 1074

unused school facilities; sale; lease

Sponsor: Senator Ward

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1074 prohibits a school district from restricting a charter school from negotiating to buy or lease vacant and unused buildings or portions of buildings.

## HISTORY

Arizona Revised Statutes § 15-189 requires the Arizona Department of Education (ADE) and the Arizona Department of Administration to annually publish a list of vacant and unused buildings or portions of buildings that are owned by the state or a school district and may be suitable for the operation of a charter school. Statute requires ADE to make the list available to charter schools and charter school applicants. The list must include the address of the building, a brief description of the building and the name of the building owner. The owner of the building is not required to sell or lease the building or a portion of the building to a charter school, school district or any other prospective buyer or tenant.

## PROVISIONS

1. Prohibits a school district from restricting a charter school from negotiating to buy or lease vacant and unused buildings or portions of buildings in the same manner as other potential buyers or lessees.
2. Requires school districts to attempt to obtain the maximum current market value for the sale or lease of vacant and unused buildings or portions of buildings.



# HOUSE OF REPRESENTATIVES

## SB 1093

online instruction; concurrent enrollment; testing

Sponsors: Senators Smith, Yee: Ward

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1093 prohibits a school district or charter school from charging a student a fee to take an examination for the transfer of Arizona Online Instruction (AOI) credits.

### HISTORY

Arizona Revised Statutes (A.R.S.) § 15-808 establishes AOI to meet the needs of students in the information age. School districts and charter schools are permitted to operate as an online course provider or online school, if authorized by the Arizona State Board of Education. Students are permitted to be enrolled in AOI full-time or part-time with the funding for part-time students being apportioned based on the percentage of time the student spends at the AOI. To comply with statute, AOI providers are required to provide multiple diverse assessment measures and administer the required state assessments.

Students who transfer credits from a charter school or school district are required to be provided with a list indicating which credits have been accepted as elective and core credits (A.R.S. § 15-701.01). A student may request to take an examination in each course where core credit has been denied within 10 days of receiving the list. The examination is designed and evaluated by a teacher in the school who teaches the subject matter and core credits are required to be accepted by the school for each examination the student passes.

### PROVISIONS

1. Prohibits school districts and charter schools from charging a fee to students who take the examination to obtain course credit, if the credit was previously earned at another public school or through AOI.
  - a. Requires examinations for academic credit to be aligned to the relevant state academic standards.
2. Requires students who transfer AOI credits to be provided a list of the credits that have been accepted.
3. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1117

online instruction; state-approved charter authorizers

Sponsors: Senators Ward, Begay, Dial, et al.

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1117 authorizes any state-approved charter authorizer to sponsor a charter school to provide Arizona Online Instruction (AOI).

### HISTORY

Arizona Revised Statutes (A.R.S.) § 15-808 establishes AOI. Statute grants the Arizona State Board of Education (SBE) and the Arizona State Board for Charter Schools (SBCS) the authority to sponsor a school district or charter school to be an online course provider. SBE and SBCS must develop standards for the approval of online course providers including the variety of educational methodologies employed by the school, the depth and breadth of curriculum choices, the availability of an intranet or private network to safeguard students and the grade levels that will be served.

Any new school that provides online instruction may only do so on a probationary status. A school may apply to be removed from probationary status if that school has demonstrated the academic integrity of its instruction through the improvement of the academic performance of its students. SBE and SBCS are required to remove any probationary AOI school that fails to demonstrate improvement in academic performance within three years. Additionally, SBE and SBCS are required to review the effectiveness of schools participating in AOI and other information in the annual report compiled by the Arizona Department of Education (ADE).

A.R.S. § 15-183 allows a charter school to be sponsored by any of the following:

- A school district governing board.
  - Only for charter schools that began operations before July 1, 2013.
- SBE.
- SBCS.
- An Arizona Board of Regents university.
- A community college district with greater than 15,000 full-time equivalent student enrollment (FTSE).
- A group of community college districts with a combined FTSE greater than 15,000.

### PROVISIONS

1. Authorizes any state approved-charter authorizer to sponsor a charter school to be an AOI course provider or online school.
2. Removes the requirement that SBE and SBCS review ADE's annual AOI report.
3. Defines *state-approved charter authorizer* as any entity authorized to sponsor a charter school.
4. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1131

online charter schools; interscholastic activities

Sponsors: Senators Kavanagh; Smith; Representative Barton

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**DPA** Committee on Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1131 requires school districts and charter schools to allow online charter school students to try out for interscholastic activities.

### HISTORY

Arizona Revised Statutes § 15-802.01 requires public schools to permit homeschool students that live within the attendance area of the school to try out for interscholastic activities in the same manner as students who are enrolled in the school. Schools must maintain consistent policies for both students attending the school and homeschool students regarding registration, age eligibility, fees, insurance, transportation, physical condition, qualifications, responsibilities, event schedules and standards of behavior. The individual providing the primary instruction to the child is required to submit written verification providing whether the student is receiving a passing grade in each course and whether the student is maintaining satisfactory progress towards advancement. Children who are homeschooled and previously enrolled in a public, private or charter school are ineligible to participate in interscholastic activities for the remainder of the school year in which they were enrolled. School districts are prohibited from contracting with any private entity that supervises interscholastic activities if the entity prohibits the participation of homeschool students.

### PROVISIONS

1. Includes online charter school students in the requirements for school districts to allow students within the attendance area of the school to try out for interscholastic activities.
2. Requires charter schools to allow online charter school students to try out for interscholastic activities in the same manner as a student enrolled in the school.
3. Requires charter schools to maintain the same registration, eligibility, fees, insurance, transportation, physical condition, qualification, schedules and behavioral standards policies for online charter schools as students enrolled in the school.
4. Directs the principal or chief administrator of the student's online charter school to submit written verification that provides whether the student is receiving a passing grade in each course and whether the student is maintaining satisfactory progress towards advancement or promotion.
5. Determines students enrolled in an online charter school who were previously enrolled in a private school or school district to be ineligible for interscholastic activities participation for the remainder of the same school year.
6. Allows a reasonable fee to be charged to online charter school students for interscholastic activity participation.
  - a. Requires the fee to be reduced by the percentage of the school district's budget that was received as local property tax revenue in the previous Fiscal Year.
  - b. Directs the student's online charter school to pay the fee.

7. Permits an additional fee to be charged to online charter school students if the public school charges the same fee to students enrolled in the public school.
8. Prohibits homeschool and online charter school students from participation in interscholastic activities in the same school year for more than one school.
9. Defines *online charter school* as a charter school providing instruction in any of grades 7-12.
10. Defines *reasonable fee* as an amount not to exceed a school district's or charter school's costs for an interscholastic activity, not to exceed \$200 per activity per year.
11. Makes technical and conforming changes.

#### **AMENDMENTS**

1. Removes the \$200 cap for a reasonable fee.
2. Requires online charter students to be enrolled as a full-time student to be eligible to try out for interscholastic activities.
3. Makes technical changes.



# HOUSE OF REPRESENTATIVES

## SB 1267

schools; exempt fundraisers

Sponsors: Senators Lesko, Allen, Barto, et al.

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1267 requires the Arizona Department of Education (ADE) to provide nutrition standard exemptions to school districts and charter schools, allowing the sale of foods of minimal nutritional value at fund-raisers during the normal school day.

### HISTORY

The U.S. Department of Agriculture (USDA) *Smart Snacks in School Program* (Program) establishes nutrition standards for foods served or sold to children during the school day. The Program provides minimum nutritional requirements and limits to the amount of calories, sodium, fat and sugar that each school snack or entrée may contain. The Program allows state agencies to provide exemptions for infrequent fundraisers at which foods that do not meet the nutrition standards may be served (USDA.Gov).

Arizona Revised Statutes § 15-242 requires ADE to develop minimum nutrition standards that meet federal guidelines and regulations for foods and beverages to be served or sold on elementary or middle school grounds. Any foods that do not meet these standards may not be served or sold during the normal school day. *School day* is defined as the period from midnight, the night before, to 30 minutes after the end of the official school day (U.S. 7 Code of Federal Regulations 210.11).

21 states currently provide a fund-raiser exemption to their nutrition standards (schoolnutrition.org).

### PROVISIONS

1. Requires ADE to provide nutrition standard exemptions to allow school districts and charter schools to sell foods of minimal nutritional value at fund-raisers during the normal school day.
2. Makes technical changes.



# HOUSE OF REPRESENTATIVES

## SB 1286

charter schools; private postsecondary institutions

Sponsors: Senators Yee, Lesko, Ward, et al.

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1286 authorizes private universities and private colleges to sponsor charter schools.

### HISTORY

Arizona Revised Statutes § 15-183 requires an applicant seeking to establish a charter school to submit an application to a prospective sponsor that includes a detailed education plan, detailed business plan, detailed operational plan and any other materials required by the sponsor. The charter school sponsor may contract with a public body, private person or private organization to establish a charter school. A charter school may be sponsored by any of the following:

- A school district governing board.
  - Only for charter schools that began operations before July 1, 2013.
- The Arizona State Board of Education.
- The Arizona State Board for Charter Schools.
- An Arizona Board of Regents university.
- A community college district with greater than 15,000 full-time equivalent student enrollment (FTSE).
- A group of community college districts with a combined FTSE greater than 15,000.

### PROVISIONS

1. Allows private universities and private colleges to sponsor charter schools.
2. Defines *private university* and *private college*.
3. Makes technical and conforming changes.





# HOUSE OF REPRESENTATIVES

SB 1289

schools; letter classification; transition process

Sponsor: Senator Ward

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1289 suspends school and school district A-F letter grades for School Years (SY) 2015 and 2016 and establishes a transition process for the Arizona Department of Education (ADE) to revise the accountability system.

## HISTORY

The Arizona Department of Education (ADE) is required to compile an annual achievement profile for each public school and school district (Arizona Revised Statutes (A.R.S.) § 15-241). For schools that offer instruction in grades K-8, the achievement profile is calculated using Arizona's Measure of Academic Progress, Arizona's Instrument to Measure Standards (AIMS) test results and the English Language Learners (ELL) test results. For schools that offer instruction in grades 9-12, the achievement profile includes annual dropout rates, graduation rates and AIMS and ELL test results. The school's achievement profile is used to determine the school or school district's letter grade classification as A, B, C, D or F based on the following performance levels:

- A schools demonstrate an excellent level of performance.
- B schools demonstrate an above average level of performance.
- C schools demonstrate an average level of performance.
- D schools demonstrate a below average level of performance.
- F schools demonstrate a failing level of performance or are determined by the Arizona State Board of Education (SBE) to be among the persistently lowest-achieving schools in Arizona under federal school accountability requirements.

A.R.S. § 15-211 directs SBE, in collaboration with ADE, to establish a K-3 Reading Program to improve reading proficiency. School districts and charter schools receive additional funding if the school or school district is assigned a letter grade of C, D or F or if more than 10% of the students in grade 3 are determined to be reading far below the third grade level through the AIMS reading test. According to the Joint Legislative Budget Committee, ADE received \$40 million for the K-3 Reading Program in Fiscal Year (FY) 2014.

## PROVISIONS

1. Prohibits, as session law, ADE from assigning school and school districts an A-F letter grade in SYs 2015 and 2016 in order for ADE, subject to SBE approval, to develop and implement a revised accountability system.
  - a. Directs ADE to continue to collect and publish data concerning academic performance indicators in SYs 2015 and 2016.
2. Directs ADE, subject to SBE approval, to develop criteria to identify schools and school districts that demonstrate a below average level of performance for SY 2015 and 2016.
3. Permits school district governing boards to adopt alternative policies for performance funding or dismissal and nonrenewal procedures for teachers in the lowest performance classification for SYs 2015 and 2016.

4. Directs each school district and charter school assigned a C, D or F in SY 2014 or that has more than 10% of third grade students reading far below the third grade level according to the AIMS or a successor test, if data is available, to receive K-3 reading support level weight monies only after the K-3 Reading Program plan has been approved by SBE in FYs 2016 and 2017.
5. Requires SBE, in cooperation with ADE, to submit a report containing proposed legislation to implement the revised accountability system by December 15, 2015, to the Governor, Speaker of the House of Representatives and President of the Senate and provide a copy to the Secretary of State.
6. Prohibits a student's score on a statewide assessment from being used as a factor in determining the student's letter grade in any course in SYs 2015 and 2016.
7. Contains a retroactive effective date of July 1, 2014.



# HOUSE OF REPRESENTATIVES

SB 1461

NOW: dyslexic pupils; schools; reading assistance

Sponsor: Senator Ward

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1461 creates an exemption for *Move on When Reading* competency requirements for students with a speech and language impairment or significant reading impairments.

## HISTORY

Laws 2010, Chapter 296, also known as *Move on When Reading*, created competency requirements that prohibit the promotion of a student from the third grade if the student's reading score falls far below the third grade level on the Arizona Instrument to Measure Standards, or a successor test. Arizona Revised Statutes § 15-701 provides exceptions to *Move on When Reading* requirements for reasons including good cause exemptions for certain English Language Learner or limited English proficiency students or students with disabilities whose parent or guardian agrees that the student's promotion is appropriate based on an individualized education program. Students who are not promoted are provided with intervention and remedial strategies for improvement developed by the State Board of Education (SBE).

## PROVISIONS

1. Allows a parent, within 30 days' notice that his/her child is going to be retained in the third grade, to submit a written request for exemption to the school district governing board or charter school to allow the child to advance to the fourth grade.
  - a. Requires the request to include documentation and a rationale demonstrating that the student may have a speech and language impairment or significant reading impairment, including dyslexia.
  - b. Directs a school district governing board or charter school governing body to issue a written acceptance or rejection of the parent's request within 30 days.
2. Requires a school district or charter school to provide evidence-based reading support services and assistance to any student that receives an exemption due to a request of the student's parent(s).
3. Requires SBE to adopt rules allowing certificated teachers and administrators to count training for the screening, intervention, accommodation, use of technology and advocacy for students with reading impairments, including dyslexia, as continuing education credits.
4. Defines *dyslexia* as a brain-based learning difference that impairs a person's ability to read and spell, that is independent of intelligence and that typically causes a person to read at levels lower than expected.



# HOUSE OF REPRESENTATIVES

## SB 1079

solid waste collection; multifamily housing

Sponsors: Senators Griffin, McGuire; Representative Mitchell, et al.

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**DPA** Committee on Energy, Environment and Natural Resources

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1079 prohibits municipalities from preventing a private enterprise from delivering recycling or solid waste services to multifamily residential properties beginning July 1, 2016.

### HISTORY

Current statute prohibits a municipality from prohibiting or unreasonably restraining the private delivery of commercial or industrial recycling or solid waste management services within the boundaries of the municipality. The municipality is required to prescribe rules which promote competition and delivery for these services (Arizona Revised Statutes (A.R.S.) § 49-746).

*Solid waste* means any garbage, trash, rubbish, waste tire, refuse, sludge from a waste treatment plant, water supply treatment plant or pollution control facility, and other discarded material, including solid, liquid, semisolid or contained gaseous material (A.R.S. § 49-701.01). *Recycling* means the process of collecting, separating, cleansing, treating and reconstituting post-consumer materials that would otherwise become solid waste and returning them to the economic stream in the form of raw material for reconstituted products which meet the quality standards necessary to be used in the marketplace, but does not include incineration or other similar processes (A.R.S. § 49-831).

### PROVISIONS

1. Prohibits municipalities from unreasonably restraining or preventing a private enterprise from delivering recycling or solid waste services to multifamily residential properties.
2. Requires municipalities to prescribe rules for the delivery of solid waste management services for multifamily properties.
3. Specifies that this Act will not mandate a municipality to provide recycling and solid waste services.
4. Defines *multifamily residential properties* as a property with one or more structures that contains five or more dwelling units.
5. Applies the statutory definition of *dwelling unit* in A.R.S. § 33-1310, the Residential Landlord and Tenant Act.
6. Contains a delayed effective date of July 1, 2016.
7. Makes technical and conforming changes.

### AMENDMENTS

#### **Energy, Environment and Natural Resources**

1. Requires multifamily residential properties to provide a municipality a 60 calendar day notice to terminate recycling and solid waste services.



# HOUSE OF REPRESENTATIVES

SB 1465

distributed energy generation systems; disclosure

Sponsors: Senators Lesko, Burges, Griffin, et al.

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**DP** Committee on Energy, Environment and Natural Resources

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1465 provides disclosure requirements to be included in agreements for the sale or lease of a distributed energy generating system (system).

## HISTORY

Arizona Revised Statutes § 41-1762 requires anyone who manufacturers, furnishes for installation or installs a solar energy device to provide a written warranty statement that includes responsibilities assumed or disclaimed and performance data of the device and components of the device. The statement is subject to approval by the Registrar of Contractors, in accordance to rules adopted, and the Governor's Energy Office.

Statute requires a person who sells a solar energy device to provide the written warranty statement and requires solar devices sold and installed to comply with any consumer protection, rating, certification, performance, marking, installation and safety standards that have been adopted by the Governor's Energy Office.

## PROVISIONS

1. Requires an agreement governing the financing, sale or lease of a system to any person, including a political subdivision other than public power entities or public service corporations, to:
  - a. Be signed and dated by the person buying, financing or leasing the system;
  - b. Be in at least 10-point type;
  - c. Include a provision granting the buyer or lessee to rescind the agreement within three business days after the agreement is signed and before the system is installed;
  - d. Provide a description, including the make and model or a guarantee concerning energy production output that the system would provide;
  - e. Separately set forth the total purchase price or cost for the life of the agreement, any interest or fees to be paid, and the total number of payments, payment frequency, the amount of payment and the payment due date, if the system is financed;
  - f. Identify potential tax obligations;
  - g. Disclose and separately identify tax incentives and rebates the buyer may be eligible for and any conditions or requirements to obtain these tax incentives, rebates or other incentives;
  - h. Disclose whether the warranty or maintenance obligations may be sold or transferred to a third party;
  - i. Disclose and separately acknowledge the ability to modify or transfer ownership of a system or the real property to which the system is affixed, including whether any modification or transfer is subject to review or approval by a third party and include the contact information of the entity responsible for approving or modifying the transfer;
  - j. Provide a summary of the total costs of operating, maintaining, financing and constructing the system;
  - k. Provide an estimate of the utility charges impacted by potential utility rate changes from within plus or minus 5% range of an annual increase or decrease from current utility costs if the agreement contains an estimate of utility charges with the installation of a system; and

1. Include a disclosure stating utility rates, structures and projected savings are subject to change and tax incentives may change or be terminated by executive, legislative or regulatory action.
2. Requires the person currently obligated to maintain or warrant the system to disclose the contact information of the person who will assume the obligation if the obligation is transferred.
3. Specifies that marketing materials must provide an estimate of the utility charges impacted by potential utility rate changes from within plus or minus 5% range of an annual increase or decrease from current utility costs if the material contains an estimate of utility charges with the installation of a system.
4. Exempts an individual or company, acting through its officers, employees or agents, that markets, sells, solicits, negotiates or enters into an agreement for the sale, financing or lease of a system as part of a transaction involving the sale or transfer of real property to which the system is or will be affixed.
5. Specifies that any agreement containing blank spaces when signed by the buyer or lessee is voidable until the system is installed.
6. Defines *distributed energy generation system* and *seller or marketer*.



# HOUSE OF REPRESENTATIVES

## SB 1318

abortion; health care exchange; licensure

Sponsors: Senators Barto, Allen, Burges, et al.

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**DPA** Committee on Federalism & States' Rights

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1318 prohibits any health care plan offered through any health care exchange operating in this state from providing coverage for abortions with limited exception, requires documentation from abortion clinics regarding admitting privileges be submitted to the Director of the Arizona Department of Health Services (ADHS), and requires physicians to inform patients they may reverse the effects of a medical abortion.

### HISTORY

Laws 1973, Chapter 158, established the ADHS by consolidating the State Department of Health, the Arizona Health Planning Authority, Crippled Children Services, the Arizona State Hospital and the Anatomy Board. ADHS sets the standard for personal and community health and is responsible for protecting and improving public health and providing publicly funded behavioral health programs. Arizona Revised Statutes (A.R.S.) § 36-449.08 provides minimum standards established for abortion clinics. It also provides the punishments for violations of the safety standards set forth in this section.

The Hyde Amendment is a legislative provision barring the use of certain federal funds to pay for abortions except if a pregnancy arises from incest or rape. It is not a permanent law; rather it is a "rider" that, in various forms, has been routinely attached to annual appropriations bills since 1976. The Hyde Amendment applies only to funds allocated by the annual appropriations bill for the Department of Health and Human Services and primarily affects Medicaid.

Many of the state laws regulating abortion are found in A.R.S., Title 36. Included in those regulations are consent and mandatory reporting requirements, rights of conscience of health care providers and restrictions of abortions under certain circumstances.

### PROVISIONS

1. Prohibits any health care plan offered through any health care exchange operating in this state from providing coverage for abortions.
2. The prohibition of coverage does not apply when the pregnancy is a result of rape or incest.
3. Requires abortion clinics, on licensure and any subsequent renewal, to submit to the Director of ADHS, all documentation required by law including verification that the clinic's physicians who are required to be available have admitting privileges at a health care institution as required by law.
4. Makes technical and conforming changes.

### AMENDMENTS

1. Requires physicians performing an abortion to inform a patient that it may be possible to reverse the effects of a medical abortion.

2. Requires ADHS to make the information available on reversing and assistance with reversing the effects of a medical abortion on their website.





# HOUSE OF REPRESENTATIVES

## SCM 1006

urging Congress; Keystone pipeline; support

Sponsors: Senator Griffin

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**DP** Committee on Federalism & States' Rights

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCM 1006 urges the United States Congress vote to approve the Keystone XL oil pipeline.

### HISTORY

The Keystone XL project is a proposed 1,179 mile pipeline beginning in Hardisty, Alberta, extending south to Steele City, Nebraska. The proposed pipeline will have the capacity to transport up to 830,000 barrels of crude oil per day from Canada and the Bakken Shale region between Montana and North Dakota to Gulf Coast and Midwest refineries.

For more than 60 years, TransCanada has been a leader in the operation of North American energy infrastructure, including natural gas and oil pipelines, along with natural gas storage facilities and nuclear, wind, hydro and solar power-generation facilities. The 2,639-mile Keystone Pipeline System transports almost one-quarter of Canada's crude oil exports to the United States (U.S.).

The federal government does not regulate the siting of oil pipelines within the U.S. The authority to issue permits for certain energy-related facilities and land transportation crossings on the U.S. international border has been delegated to the Secretary of State to determine whether issuance of the permit would serve the national interest.

### PROVISIONS

1. Urges that the U.S. Congress vote to approve the Keystone XL oil pipeline.
2. Requires that the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the U.S., the President of the U.S. Senate, the Speaker of the U.S. House of Representatives and each Member of Congress from the State of Arizona.



# HOUSE OF REPRESENTATIVES

## SCM 1014

urging EPA; ozone concentration standard

Sponsors: Senators Griffin, Allen, Burges, et al.

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**DP** Committee on Federalism & States' Rights

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCM 1014 urges the Environmental Protection Agency (EPA) to refrain from reducing the ozone concentration standard.

### HISTORY

The EPA was proposed by President Richard Nixon and began operation on December 2, 1970, after Nixon signed an executive order. The EPA is an agency of the U.S. federal government which was created for the purpose of protecting human health and the environment by writing and enforcing regulations based on laws passed by Congress. The EPA has thirteen divisions and has 10 regions with each having a regional office that works with cases in those regions.

Ozone is one of the six common air pollutants identified by the EPA as being critical to assessing environmental health of a place. Ozone occurs naturally in the stratosphere to provide a protective layer which filters the sun's harmful ultraviolet rays. However, at the ground-level, ozone is created by a chemical reaction between nitrogen oxides and volatile organic compounds. Sunlight and heat cause ground-level ozone to form in harmful concentrations. Since nitrogen oxides come from internal combustion engines and volatile organic compounds come from vehicle exhaust, industrial emissions, gasoline vapors and chemical solvents, ground-level ozone is more prevalent in urban centers as oppose to rural areas.

In 2008, the EPA lowered the national standard for ozone air pollution from 80 parts per billion (ppb) to 75 ppb. On November 25, 2014, the EPA proposed a change to the national concentration standard for ozone air pollution from 75 ppb to between 65 and 70 ppb. The comment period closes on March 17, 2015, and the EPA is expected to finalize the rule in October 2015. The only counties in Arizona expected to meet the proposed standards are Yavapai County at 69 ppb and Navajo County at 70 ppb.

### PROVISIONS

1. Urges the EPA to refrain from reducing the ozone concentration standard from 75 ppb to between 65 and 70 ppb.
2. Specifies that the Secretary of State of Arizona transmit copies of this Memorial to the Administrator of the U.S. EPA, the President of the U.S., the President of the U.S. Senate, the Speaker of the U.S. House of Representatives and each Member of Congress from the State of Arizona.



# HOUSE OF REPRESENTATIVES

## SCR 1003

interstate medical licensure compact; opposition

Sponsors: Senator Ward

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**DP** Committee on Federalism & States' Rights

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCR 1003 expresses that the members of the Legislature oppose any participation in the Federation of Medical State Licensure's Interstate Medical Licensure Compact (Compact).

### HISTORY

The Federation of State Medical Boards (FSMB) is a national nonprofit established in 1912. It represents the 70 medical and osteopathic boards of the United States and its territories. The FSMB assists state boards in protecting the public's health, safety and welfare through promotion of standards for physician licensure and regulation. The Compact establishes a voluntary interstate compact that will streamline the licensing process for physicians seeking licenses in multiple states participating in the compact while maintaining state oversight and protections for patients.

The Compact has been introduced in 15 states and one state has passed the Compact. The Compact will become effective and binding upon legislative enactment of the Compact into law by no less than seven states and will dissolve upon the date of the withdrawal or default of the state which reduces the membership in the Compact to one state.

### PROVISIONS

1. Expresses that the members of the Legislature oppose any participation in the Compact.



# HOUSE OF REPRESENTATIVES

SB 1058

CORP; nondesignated positions

Sponsor: Senator Griffin

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1058 allows the local board of the judiciary to designate a position within a detention facility as non-designated for purposes of eligibility in the Corrections Officer Retirement Plan (CORP), if the employee filling the position meets specific criteria.

## HISTORY

### *General*

CORP is administered under the umbrella of the Public Safety Personnel Retirement System (PSPRS) for employees who generally fit into three groups: corrections and detention personnel, probation and surveillance officers and dispatchers. CORP is a defined benefit plan where the pension benefit is determined by formula based on compensation and years of service.

### *Local Boards*

A local board is a five-member board composed of three persons appointed by the employer and two persons who are members of CORP and who are elected as local board members by the employees. Each employer has their own local board. Local boards have the authority to determine membership eligibility and payment of benefits, including eligibility for receipt of disability payments, as outlined in statute.

### *Designated / Non-Designated Positions*

Pursuant to Arizona Revised Statutes (A.R.S.) § 38-891, local boards can designate positions that meet specific criteria as either *designated* or non-designated. This process may allow an employee to remain in the retirement plan that the employee is currently in when moving into a different position, depending on the circumstances. Positions that meet criteria as *designated* are outlined in A.R.S. § 38-881, paragraph 13.

A.R.S. § 38-891, Subsection F, permits the local board of the Department of Corrections, Department of Juvenile Corrections or the county, city or town that operates a detention facility to specify a *designated* position within the department or facility as a non-designated position, if the employee filling the position:

- Has at least five years of credited service in the Arizona State Retirement System (ASRS); and
- Makes a written request to the local board within 90 days of accepting the position.

This determination allows the employee to remain in ASRS instead of being required to transfer into CORP. When the employee leaves the position, it automatically reverts to a *designated* position for purposes of CORP eligibility.

## PROVISIONS

1. Permits the local board of the judiciary to designate a position within a detention facility as a non-designated position if:
  - a. The position is filled by an employee who has at least five years of credited service under ASRS, and

- b. The employee makes a written request to the local board within 90 days of accepting the position.
- 2. Allows an employee with five years of credited service in ASRS to submit a written request to the local board of the judiciary within 90 days of the effective date to request that the local board specify the employee's position as non-designated. Requires the local board to act on the request.



# HOUSE OF REPRESENTATIVES

SB 1073

public records; redaction; former judges

Sponsor: Senator Smith

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1073 allows former judges and United States Immigration Court judges to request that their personal information be kept confidential by removal from public records.

## HISTORY

There are several sections of statute pertaining to the right of eligible persons to request that their personal information, including their telephone number and address, not be accessible to the public.

*Eligible person* is defined as a former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, justice, judge, commissioner, public defender, prosecutor, code enforcement officer, adult or juvenile corrections officer, corrections support staff member, probation officer, member of the board of executive clemency, law enforcement support staff member, national guard member who is acting in support of a law enforcement agency, person who is protected under an order of protection or injunction against harassment, person who is a participant in the address confidentiality program, or a firefighter who is assigned to the Arizona Counterterrorism Center in the Department of Public Safety.

Statute requires persons requesting confidentiality of personal information to submit an affidavit request for redaction ([affidavit application](#)). Public employees and officials shall file the affidavit to the presiding judge of the superior court (Presiding Judge) in the county where the individual requesting redaction resides. Peace officers and certain individuals, who have similar occupations, shall submit an affidavit to a commanding officer who will file it with the Presiding Judge.

The Presiding Judge shall file a petition with the clerk of the superior court (Clerk) on behalf of the affiants and review the petitions and affidavits. If it is decided that action will reduce danger to the individual or that the person is in actual danger of physical harm, the Presiding Judge will order the county recorder to redact the necessary information from public records.

## PROVISIONS

1. Expands the definition of *judge* to include former judges and United States Immigration Court judges.
2. Specifies that former judges are not required to include a description of position and duties on an affidavit to request public record confidentiality.
3. Contains an emergency clause.



# HOUSE OF REPRESENTATIVES

## SB 1091

homeowners' associations; removal; special meetings

Sponsor: Senator Lesko

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1091 specifies that quorum and vote counts are based on the members eligible to vote, for the purposes of a homeowners' association (HOA) election to remove a member from the board of directors (Board).

### HISTORY

An HOA is an organization of property owners in a condominium or planned community. These organizations are created to operate shared areas of their respective communities. They are run by a Board that is elected by members of the community to act on their behalf. The Board has several enumerated statutory authorities, including the ability to adopt and amend budgets for revenues, expenditures, reserves and collect assessments for common expenses from unit owners, impose charges for late payments of assessments and impose reasonable monetary penalties upon unit owners for violations of community documents.

An HOA Board member may be removed from the Board by a majority vote of a quorum of HOA members that are entitled to vote. In order to call for the removal of a Board member, a petition must be circulated and signed by at least 25% of those entitled to cast a vote in the HOA or 100 votes, whichever is less. Upon receipt of a petition, the Board is required to call and provide written notice of a special meeting of the HOA to be held within 30 days. At any special meeting called for the removal of a Board member, a quorum is present if enough members are in attendance to cast 20% of the total votes or 1000 votes, whichever is less (Arizona Revised Statutes § 33-1813).

### PROVISIONS

1. Stipulates that when removing an HOA board member, quorum and vote counts are based on the members eligible to vote, rather than the members entitled to cast votes.
2. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

SB 1095

community colleges; optional retirement plans

Sponsor: Senator Lesko

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1095 specifies that for retired members of the Arizona State Retirement Plan (ASRS) who elect to participate in a community college district optional retirement plan (ORP), ASRS is not required to transfer the employee's contributions into the ORP.

## HISTORY

ASRS was established by the Legislature in 1953 to provide retirement benefits to state employees. Active teachers voted to join ASRS in 1954, and were folded into the plan in 1955. ASRS is a defined benefit plan, providing a monthly benefit to retired members, based on years of service, salary, age and which retirement option is chosen. ASRS also provides a retiree health benefit supplement and long term disability program (LTD). As of June 30, 2014, ASRS had 551,296 members, including 207,566 active members and 127,881 retired members and survivor beneficiaries.

Arizona Revised Statutes (A.R.S.) § 15-1444 allows a community college district board to provide a plan(s) for benefits, which may include ORPs. A.R.S. § 15-1451 outlines community college district ORP requirements. Employees who wish to participate in an ORP must make the election in writing to ASRS within 30 days of employment, or if the member is a current ASRS member, within 90 days of the ORP becoming effective. Employees who do not elect to go into the ORP automatically become (or remain) ASRS members. If the employee is a current ASRS member and the employee elects to go into the ORP, ASRS must transfer the employee's ASRS contributions with interest to the ORP within 90 days. Once in the ORP, the employee must stay in the ORP while employed by the community college district.

## PROVISIONS

1. Specifies that for non-retired ASRS members who elect to participate in the ORP, ASRS must transfer out the employee's ASRS contributions with interest to the ORP. Retired members who participate would not have their contributions transferred to ASRS.





# HOUSE OF REPRESENTATIVES

## SB 1096

ASRS; actuarial valuation method

Sponsor: Senator Lesko

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**DPA** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1096 allows the Board of the Arizona State Retirement System (ASRS) to determine which actuarial cost method to use in valuation and contribution calculations and expands the annual employer contributions report to include information on ASRS's funded status and returns.

### HISTORY

#### *General*

ASRS was established by the Legislature in 1953 to provide retirement benefits to state employees. Active teachers voted to join ASRS in 1954, and were folded into the plan in 1955. ASRS is a defined benefit plan, providing a monthly benefit to retired members, based on years of service, salary, age and which retirement option is chosen. ASRS also provides a retiree health benefit supplement and long term disability program. As of June 30, 2014, ASRS had 551,296 members, including 207,566 active members and 127,881 retired members and survivor beneficiaries.

#### *Actuarial Cost Methods*

According to ASRS, an actuarial cost method is a framework for funding a pension plan. It divides the total liability for future benefits of all current members into two parts:

- Future service liabilities
- Past service liabilities

The future service liabilities portion is referred to as the normal cost, which is defined in Arizona Revised Statutes (A.R.S.) § 38-711. Past service liabilities are compared to the overall value of assets to determine liability or surplus. If the amount is negative, this is referred to as the unfunded actuarial accrued liability (UAAL) of the plan. The actuarial cost method determines how to split the total liability between plan experience and assumptions, and how to account for differences between projections and actual results. A.R.S. § 38-737 uses the normal cost and an amortization of past service liabilities, smoothed over a period determined by the ASRS Board, to determine the employer contributions required for a particular fiscal year (FY).

The Governmental Accounting Standards Board (GASB) establishes standards of accounting and financial reporting for U.S. state and local governments. In 2012, GASB issued new financial reporting requirements for pensions and pension plans (GASB 67 & 68) that went into effect in June 2013 and June 2014. These require pension liabilities to be reported using the Entry Age Cost Actuarial Method (EAC). Conversely, A.R.S. § 38-737 and A.R.S. § 38-711 require the use of the Projected Unit Credit Method (PUC).

Both the PUC and the EAC are generally accepted actuarial methods; both calculate actuarial cost based on normal cost and the UAAL. The difference is how the two concepts are weighted, based on their respective formulas. GASB only requires that EAC be used for reporting purposes, and does not require the use of that formula for any plan determinations.

#### *Annual Report on Employer Contributions*

A.R.S. § 38-737 requires ASRS to provide a report on the employer contribution rate for the upcoming FY to the Governor, Speaker of the House of Representatives and President of the Senate (Report). A preliminary version of the Report is due on November 1<sup>st</sup> and the final report is due on December 15<sup>th</sup> of each year.

#### **PROVISIONS**

1. Requires the ASRS Board to determine which generally accepted actuarial cost method to use in the annual actuarial valuation and for purposes of calculating employer contributions, beginning on June 30, 2016.
2. Retains the exclusive use of the PUC for valuations and contribution calculations until June 30, 2016.
3. Deletes the requirement for ASRS to provide a preliminary Report by November 1 of each year.
4. Expands the contents of the final Report to also include all of the following as of June 30 of the previous FY:
  - a. The UAAL
  - b. Funded status of the ASRS Plan, based on the:
    - i. Actuarial value of assets; and
    - ii. Market value of assets
  - c. Annualized Rate of Return (ROR)
  - d. Ten-year ROR
5. Makes technical and conforming changes.

#### **AMENDMENTS**

##### **Committee on Government & Higher Education**

1. Makes a conforming change.



# HOUSE OF REPRESENTATIVES

SB 1097

ASRS; health insurance benefits

Sponsor: Senator Lesko

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1057 makes changes to the health insurance/accident premium benefit program under the Arizona State Retirement System (ASRS).

## HISTORY

### *General*

ASRS was established by the Legislature in 1953 to provide retirement benefits to state employees. Active teachers voted to join ASRS in 1954, and were folded into the plan in 1955. ASRS is a defined benefit plan, providing a monthly benefit to retired members, based on years of service, salary, age and which retirement option is chosen. ASRS also provides a retiree health benefit supplement and long term disability program. As of June 30, 2014, ASRS had 551,296 members, including 207,566 active members and 127,881 retired members and survivor beneficiaries.

### *Health /Accident Insurance Premium Benefit*

Pursuant to Arizona Revised Statutes (A.R.S.) § 38-783, for retirees and eligible survivors under ASRS that elect group health insurance and/or accident insurance coverage through the ASRS group plan, the Arizona Department of Administration group plan or a group plan through an employer, ASRS will pay a premium benefit of up to:

Single	Premium Benefit	Family	Premium Benefit
Non-Medicare Eligible	\$150/month	None Medicare Eligible	\$260/month
Medicare Eligible	\$100/month	All with Medicare	\$170/month
		One with or without Medicare	\$215/month

The amount of benefit depends on the number of years of credited service, as follows:

Years of Service	Percent of Premium Benefit
9.0-9.9	90%
8.0-8.9	80%
7.0-7.9	70%
6.0-6.9	60%
5.0-5.9	50%
Less than 5.0	0

*IRS Favorable Determination Letter*

A favorable determination letter is a document issued by the Internal Revenue Service (IRS) upon request regarding the qualified status of a retirement plan under the Internal Revenue Code (IRC), § 401(a) ([IRS Favorable Determination Publication](#)). According to the IRS, employers who sponsor retirement plans are generally not required to apply for a determination letter from the IRS; however, having a favorable determination letter provides the employer with reliance that:

- The plan is qualified under IRC § 401(a); and
- The plan's trust is exempt under IRC § 501(a)

#### **PROVISIONS**

1. States that if an ASRS member who is eligible for the health/accident insurance premium benefit forfeits interest in the account before termination of ASRS, the amount of the forfeiture must be quickly applied to reduce employer contributions required to fund the health insurance benefit.
2. Makes the change in the section related to the health/accident insurance premium benefit retroactive to June 30, 2013.
3. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1119

NOW: ASRS; purchase of credited service

Sponsor: Senator Lesko

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1119 removes the five-year cap on the purchase of prior years of service for Arizona State Retirement System (ASRS) members whose membership date started before July 20, 2011 and requires ASRS members to have at least five years of service in ASRS before purchasing prior service, if their membership date is on or after July 1, 2010.

## HISTORY

### *General*

ASRS was established by the Legislature in 1953 to provide retirement benefits to state employees. Active teachers voted to join ASRS in 1954, and were folded into the plan in 1955. ASRS is a defined benefit plan, providing a monthly benefit to retired members, based on years of service, salary, age and which retirement option is chosen. ASRS also provides a retiree health benefit supplement and long term disability program. As of June 30, 2014, ASRS had 551,296 members, including 207,566 active members and 127,881 retired members and survivor beneficiaries.

### *Service Purchase*

Arizona Revised Statutes (A.R.S.) § 38-743 allows members of ASRS to purchase previous years of public service by paying to ASRS an actuarially determined amount as set by the ASRS Board. This benefit was first established in 1987, originally allowing members to purchase up to five years of service at the actuarially determined present value of the benefit. In 1996, the five-year limit was removed and the method for calculating the cost of the purchase was changed to present normal cost (Laws 1996, Ch. 185). In 2004, the Legislature restored the use of the actuarial present value to determine the cost for purchasing service (Laws 2004, Ch. 252). In 2009, the Legislature added a requirement that *beginning on July 1, 2010*, a member needed to have five years of service in ASRS prior to purchasing any other type of public service (Laws 2009, Ch. 36). In 2011, the Legislature returned the five-year cap for years that can be purchased (Laws 2011, Ch. 357) and increased the number of years a member is required to have in the system prior to purchasing service to 10. *The effective date of this amendment was July 20, 2011.* Laws 2012, Ch. 362 restored the five-year threshold of service in ASRS.

Ms. Pendergast was a teacher in ASRS who left the state for approximately 10 years, before returning to and once again becoming an active ASRS member. After Laws 2011, Chapter 357 became effective, Ms. Pendergast sought to purchase just under 10 years of service from her time out of state, however ASRS denied her application due to the five year cap. The Arizona Court of Appeals, District One, determined that the Laws 2011, Ch. 357 unconstitutionally diminished her vested rights to public retirement system benefits (*Pendergast v. Arizona State Retirement System*, 234 Ariz. 535 (2014)).

## PROVISIONS

1. Establishes a two-tiered system for ASRS members who wish to purchase prior years of service as follows:

- a. ASRS members whose date of membership is on or after July 20, 2011 are limited to purchasing no more than five years of prior service.
  - b. ASRS members whose date of membership is prior to July 20, 2011 are not limited in the number of years of prior service that may be purchased.
2. Returns language applying the requirement for ASRS members to have five years of ASRS service before purchasing other types of service to members with membership dates on or after July 1, 2010. This was the date applicable to this restriction prior to Laws 2011, Chapter 357.
3. Applies the service purchase time caps and prior year service requirements to the following:
  - a. Prior public service
  - b. Time spent on unpaid leave of absence
  - c. Military service
4. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1121

ASRS; participation opt out; continuation

Sponsor: Senator Lesko

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1121 is an emergency measure that continues to permit new hires who are at least 65 years of age and meet specific eligibility criteria to opt out of the Arizona State Retirement System (ASRS).

## HISTORY

### *General*

ASRS was established by the Legislature in 1953 to provide retirement benefits to state employees. Active teachers voted to join ASRS in 1954, and were folded into the plan in 1955. ASRS is a defined benefit plan, providing a monthly benefit to retired members, based on years of service, salary, age and which retirement option is chosen. ASRS also provides a retiree health benefit supplement and long term disability (LTD) program. As of June 30, 2014, ASRS had 551,296 members, including 207,566 active members and 127,881 retired members and survivor beneficiaries.

### *Opt-Out*

Laws 2012, Chapter 273 provided an option for persons who are at least 65 years old and meet specific criteria to opt-out of ASRS. To be eligible, a person must:

- Become employed after the person is at least 65 years old;
- Not be an active, inactive or retired ASRS member;
- Not be receiving LTD benefits; and
- Not have any credited or prior ASRS service

To opt-out, an eligible person must make the election in writing within 30 days of employment. This election is irrevocable for the remainder of the person's employment and constitutes a waiver of all benefits under ASRS. Time spent in the opt-out is not eligible for service purchase.

Laws 2012, Chapter 273 contains a sunset date, only permitting eligible persons to make this election before July 1, 2015. The legislation required ASRS to submit a report by 12/31/2014 containing the number of employees who elected the opt-out, the actuarial impact to ASRS, the administrative impact to ASRS and any recommendations about the feasibility of continuing the opt-out.

## PROVISIONS

1. Removes the sunset date of July 1, 2015 that would end the option for persons at least 65-years of age who meet the eligibility requirements outlined above to opt-out of participation in ASRS.
2. Contains an emergency clause.
3. Makes technical changes.



# HOUSE OF REPRESENTATIVES

## SB 1169

fire code requirements; fire watch  
Sponsors: Senators Allen, Yee: Burges, et al.

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1169 establishes procedures for municipalities, counties and fire districts (District) pertaining to the use of a fire watch.

### HISTORY

Arizona Revised Statutes (A.R.S.) § 41-2146 establishes the State Fire Safety Committee (Committee) as a part of the Department of Fire, Building and Safety (DFBLS). The Committee must adopt a state fire code that provides minimum standards for:

- Safeguarding from fire hazards;
- Prevention of fires;
- Storage, sale, distribution and use of dangerous chemicals, combustibles, flammable liquids, explosives and radioactive materials;
- Installation, maintenance and use of fire equipment;
- Means and adequacy of fire protection and exit; and
- Other issues considered necessary by the Committee relating to fire protection.

According to DFBLS, fire watch procedures are meant to be used to remedy a temporary situation in which the operational fire protection systems required by the state fire code are absent or have become inoperative. This situation most often occurs during new construction, remodeling or as the result of an emergency situation.

([DFBLS fire watch procedures](#))

### PROVISIONS

1. States that if the Committee, a municipality, county, or District's fire code requires the use of a fire watch, an employee may serve as fire watch in the building where the employee works.
2. Stipulates that a person serving as fire watch:
  - a. Shall:
    - i. Be given the means to contact the fire department.
    - ii. Only be tasked with the duty of performing constant patrols to keep watch for fires.
    - iii. Be provided with printed instructions from the state fire marshal.
  - b. May be provided with a free training session prior to serving as a fire watch.
3. Specifies that school facilities with an aggregate area of less than 5,000 square feet are only subject to inspection and permitting by the local fire marshal, unless the county, city or town does not employ a local fire marshal.
4. Defines *fire watch*.
5. Makes technical, clarifying and conforming changes.





# HOUSE OF REPRESENTATIVES

SB 1187

services outside municipal boundaries; requirements

Sponsor: Senator Griffin

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## **OVERVIEW**

SB 1187 provides requirements for cities or towns that provide landfill services and recycling collection or processing services outside of their boundaries.

## **HISTORY**

Arizona Revised Statutes § 9-511.03 governs cities and towns that provide waste or garbage collection services outside of their boundaries. Current statute requires that these cities and towns:

- Keep all records of these services separate from other municipal records;
- Make an in-lieu contribution that is equal to taxes that would be required by a private company providing the same services to all state, city, town, county and other taxing districts;
- Pay an in-lieu contribution to the recycling fund equal to the federal taxes that would be required by a private company providing the same services;
- Pay all fees and costs that are applicable to private companies, including landfill fees; and
- Ensure that no city or town taxes, fees or revenues are being used to subsidize services outside of the city or town boundaries.

Current statute does not restrict a city or town from entering into mutual aid and intergovernmental agreements to respond to requests for emergency services and also provides exceptions from these requirements.

## **PROVISIONS**

1. Expands statutes governing cities and towns providing services outside of their boundaries to include landfill services and recycling collection or processing services.
2. Excludes cities and towns with a population of less than 5,000 persons that provide recycling or landfill services outside of their boundaries from the provisions of this section.
3. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1201

Arizona historical society; board; membership

Sponsor: Senator Griffin

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1201 directs the Governor to appoint the members of the Arizona Historical Society (AHS) Board of Directors (Board).

### HISTORY

AHS was established by an Act of the First Territorial Legislature in 1864 in order to obtain, hold in trust and provide access to items pertinent to Arizona's history. AHS principally operates in Flagstaff, Tempe, Tucson and Yuma, and manages seven museums statewide. Arizona Revised Statutes § 41-821 permits AHS to purchase, receive, hold, lease and sell property for the benefit of the state and to solicit private monetary donations for program activities.

The members of AHS elect, amongst themselves, a president, treasurer, Board and other officers according to AHS bylaws.

### PROVISIONS

1. Directs the Governor to appoint members to the Board that have knowledge, competence, experience and interest in the fields related to the preservation and promotion of Arizona history.
2. Specifies that the Board consists of each of the following:
  - a. Three members or less from each county with a population greater than 3,000,000.
  - b. Three members or less from each county with a population between 900,000 and 3,000,000.
  - c. Two members or less from a county with a population between 133,000 and 135,000.
  - d. One member from each county not applicable to the provisions above.
  - e. One member recommended by each of the historical organizations designated by the Board.
3. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1210

statutory drafting and revision

Sponsors: Senators Biggs, Allen, Griffin, et al.

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1210 allows for the Director of the Legislative Council to make substitutions pertaining to effective dates and states that changes made to a section of statute also apply to other sections that reference it.

### HISTORY

Arizona Revised Statutes (A.R.S.) Title 41, Chapter 8, Article 1 establishes the Legislative Council to include the President of the Senate, Speaker of the House of Representatives and six members appointed from each chamber. One of the statutory duties of the Legislative Council is to appoint clerical, stenographic, technical and professional assistants needed to carry out the duties of the Legislative Council. The staff performs nonpartisan bill drafting, research, computer and other administrative services to all of the members of both chambers of the Legislature (A.R.S. § 41-1304).

A.R.S. § 41-1304.02 grants Legislative Council the power to make certain revisions to laws, including: renumbering sections, rearranging sections, changing reference numbers, substituting proper sections, striking out repetitious words, changing capitalization and correcting textual errors.

The statutory construction cannon states that adopted statutes do not include subsequent amendments to sections that are referenced, unless it is stated otherwise. Several state legislatures (California, Colorado, Delaware, Hawaii, Iowa, Louisiana, Minnesota, Oregon, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, and Wyoming) have adopted some form of rule for construction of statutes that uses the incorporation by statutory reference approach. This approach allows for a statutory revision to also apply to other statutes referencing it.

### PROVISIONS

1. Stipulates that a reference in a section of statute will also apply to any future revisions, amendments or reenactments made in the section of reference.
2. Allows the Director of the Legislative Council to substitute actual dates for terms such as “the effective date of this section.”
3. Contains a retroactivity clause (April 20, 2015).
4. Makes technical, clarifying and conforming changes.



# HOUSE OF REPRESENTATIVES

SB 1287

ballot contents disclosure; prohibition

Sponsors: Senators Yee, Begay, Kavanagh, et al.

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1287 prohibits photography and videography within the 75-foot limit of a polling place and modifies the offense of showing a voter's ballot.

## HISTORY

Arizona Revised Statutes (A.R.S.) § 16-515 requires the establishment of a 75-foot limit outside of a polling place on election day and prohibits people from being within that 75-foot zone unless they are voting, working the election, assisting a voter, accompanying a parent (if the person is a minor) or serving in an observer role with a political party. Pursuant to A.R.S. § 16-452, the Secretary of State (SOS) publishes an Elections Procedures Manual (Manual) containing rules for achieving and maintaining the maximum degree of correctness, impartiality, uniformity and efficiency related to election procedures. The Manual addresses the 75-foot limit from an administrative perspective (pages 155 and 156) and prohibits photography or videography within the limit ([SOS Elections Procedures Manual](#)).

A.R.S. § 16-1018 makes it a Class 2 misdemeanor for a voter to show his or her ballot or the machine that the voter used in a way that reveals its contents, except to a person lawfully assisting the voter.

## PROVISIONS

1. Prohibits taking photos or videos while within the 75-foot limit of a polling place.
2. Makes it a Class 2 misdemeanor to show:
  - a. Another voter's ballot, or
  - b. The machine that another voter has used in a way that reveals the contents
3. States that if a voter makes an image of the voter's ballot available by posting it on the internet or in another electronic medium, the voter is deemed to consent to the re-transmittal of the image.
4. States that the re-transmittal of the image is not a Class 2 misdemeanor.
5. Makes conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1298

rules; counties; flood control districts

Sponsors: Senators Griffin, Begay, Burges, et al.

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1298 requires counties and flood control districts (Districts) to adopt procedures regarding rulemaking and rule enforcement.

### HISTORY

The process of formulation and finalization of state rules is called rulemaking; it is governed by Arizona Revised Statutes (A.R.S.) Title 41, Chapter 6, Article 3. A.R.S. § 41-1001, paragraph 19 defines a *rule* as an agency statement of general applicability that implements, interprets or prescribes law or policy or describes the procedure or practice requirements of an agency. *Rule* includes prescribing fees and the amendment or repeal of a prior rule, but does not include intra-agency memoranda that are not delegation agreements. A.R.S. § 41-1003 requires agencies to make rules of practice for formal procedures available to the public.

The state rulemaking process includes specific public notice provisions, opportunities for stakeholder comment and final review by the Governor's Regulatory Review Council. A.R.S. Title 41, Chapter 6, Article 3 also provides for expedited and emergency rulemaking authorities in certain situations.

In counties with a population of 175,000 or more, statute requires a five-member board of supervisors (BOS) be elected; in counties with 175,000 or less the BOS must consist of three elected members (A.R.S. § 11-211). Statutory responsibilities for a BOS include making and enforcing necessary rules and regulations for the government of its body (A.R.S. § 11-251).

Special taxing districts are formed to provide necessary services or infrastructure by placing the tax burden on those who benefit from the improvements. A.R.S. § 48-3602 requires each county to establish a District; the members of the BOS sit as the board of directors (BOD) for the District.

### PROVISIONS

1. Requires the BOS and the BOD to adopt procedures for the adoption, repeal and enforcement of rules.
2. Requires the rulemaking procedures to contain at least the following for the county department (Department) or District proposing the change:
  - a. Two week notice of a meeting where public comment will be taken on the draft rule.
    - i. Notice must include the text of the draft and be available to the public.
    - ii. Written and verbal comments on the draft must be accepted by the district/department.
  - b. Two week notice of a meeting where the final text of the rule is being considered by the BOS or the BOD.
    - i. Notice must include the text of the final version and be available to the public.
    - ii. At least one week before the meeting, the District/Department's written responses to written public comments must be provided. Written responses to verbal comments may also be provided.
  - c. The District/Department must provide the BOS or BOD with copies of public comments and written responses to the comments.

- d. If the BOS or BOD determine that a substantial change is required to the draft, they must:
  - i. Issue a supplemental notice with the changes; and
  - ii. Provide additional public comment before adoption of the rule
3. Allows the BOS or BOD to provide alternative procedures for rule adoption in the following scenarios:
  - a. If the BOS or BOD find that an emergency exists and adoption is necessary to:
    - i. Protect the public health, safety or welfare;
    - ii. Avoid an imminent budget reduction; and
    - iii. Avoid serious prejudice to the public interest.
  - b. If a rule is required by state or federal law/regulation, except if the requirement to adopt the rule is the result of delay or inaction by the BOS or BOD.
  - c. If expedited rulemaking does not increase the cost of regulatory compliance or reduce procedural rights of regulated parties.
4. Requires any rule adopted as an emergency rule to be reviewed by the BOS or BOD within a reasonable time to determine whether it should stay in effect.
5. States that rules cannot be enforced unless there is substantial compliance with the rulemaking process provided in this bill, unless the rules were approved prior to the effective date.
6. Permits notices of rulemaking to be provided on the District/Department's website.
7. Permits informal meetings with interested parties to discuss proposed rules.
8. Exempts the following from the rulemaking process requirements:
  - a. For counties:
    - i. Ordinances adopted by the BOS;
    - ii. Substantive policy statements;
    - iii. Procedural documents that only affect internal procedures and do not impose additional requirements, conditions or penalties on regulated parties;
    - iv. Use or adoption of a form that is consistent with an ordinance or statute;
    - v. Functions related to air quality control; and
    - vi. County subdivision regulations.
  - b. For Districts:
    - i. Substantive policy statements;
    - ii. Procedural documents that only affect internal procedures and do not impose additional requirements, conditions or penalties on regulated parties; and
    - iii. Use or adoption of a form that is consistent with an ordinance or statute.
9. Expands the county and District regulatory rights to include the right of a person to participate in the rule development process, including providing comment on proposed rules and having the comments addressed.
10. Requires counties and Districts to publish or place prominently on their website a directory summarizing the subject matter of all rules. Provides that the rules are open to public inspection at the office of the county or District, or on either's website.
11. Requires the establishment of a procedure for receiving complaints from adversely affected persons concerning ordinances, rules, substantive policy statements or practices alleged to violate law.
12. Allows the BOS or BOD to require a complaint related to an ordinance, regulation, substantive policy statement, practice or rule to be made in writing and to contain:
  - a. The name and address of the adversely affected person;
  - b. The ordinance, regulation, rule, substantive policy statement or practice alleged to violate law;
  - c. Facts relevant to the complaint; and
  - d. Legal basis for the complaint.
13. Requires complaint procedures to include reasonable time frames and an appeal process.

14. Defines *department* and *rule*.

15. Makes these changes effective as follows:

- a. For counties with a population of 375,000 or more, on January 1, 2016.
- b. For counties with a population of less than 375,000, on January 1, 2017.

16. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1342

responsibility of payment; utility services

Sponsor: Senator Griffin

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1342 prohibits certain fees for residential services to be charged to anyone other than a person who physically resides at the property and who receives the services.

## HISTORY

Arizona Revised Statutes (A.R.S.) § 9-499 allows a city or town to prescribe by ordinance, a procedure for the removal and abatement of rubbish, trash, weeds, filth, debris or dilapidated buildings. A removal or abatement may be made as an assessment on the property which runs against the property until paid in full. The city or town is required to provide a notice to the owner and, when applicable, to the occupant or lessee at least 30 days before taking action to remove the rubbish.

A.R.S. § 9-511.02 pertains to delinquent utility user fees. Current statute allows for a city or town to file a lien on a property for nonpayment of utility user fees that are delinquent for more than 90 days. Statute requires that notice be given to the property owner 30 days before the lien is filed.

## PROVISIONS

1. Prohibits cities, towns, garbage collection service providers, private water companies and sewer corporations from requiring payment for residential properties with four or fewer units from anyone other than the person with whom the service was contracted and who physically resides or resided at the property and who receives or received services for payment of:
  - a. Assessments imposed for the removal of rubbish, trash, filth or debris.
  - b. Garbage collection service rates and charges.
  - c. Unpaid utility user fees.
  - d. Unpaid water and wastewater service rates and charges.
  - e. Unpaid sewer utility service rates and charges.
2. States that a property owner or immediate family member who does not reside at the property receiving service or any other entity at its own discretion may contract for, and shall provide payment for:
  - a. Garbage collection service.
  - b. Utilities service.
  - c. Water, wastewater or sewer utility service.
3. Makes technical, clarifying and conforming changes.





# HOUSE OF REPRESENTATIVES

SB 1368

municipalities; additional business licenses; prohibition

Sponsor: Senator Griffin

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1368 prohibits cities and towns from requiring real estate brokers or salespersons to obtain any additional business licenses.

## HISTORY

Arizona Revised Statutes (A.R.S.) Title 32, Chapter 20 establishes the Arizona Department of Real Estate (ADRE), with the purpose of protecting the public interest through licensure and regulation of the real estate profession. Pursuant to A.R.S. § 32-2106, the Governor appoints a Real Estate Commissioner to oversee the operations of ADRE, including regulating and issuing real estate licenses.

ADRE establishes and enforces minimum requirements for licensure of real estate brokers and salespersons, cemetery brokers and salespersons and membership camping brokers and salespersons (A.R.S. § 32-2122).

In order to obtain a real estate broker or salespersons license, ADRE requires that an individual fulfill the following requirements: ([ADRE requirements](#))

- Complete an application and disclosure form.
- Complete 90 hours of pre-licensing courses and other education requirements.
- Pass a comprehensive examination.
- Obtain a fingerprint clearance card.
- Fulfill actual experience requirements (brokers only).

## PROVISIONS

1. Restricts cities and towns from requiring additional business licenses be obtained by a real estate broker or salesperson who is licensed in the city or town in which their primary place of business is located.



# HOUSE OF REPRESENTATIVES

SB 1441

official state metal; copper

Sponsors: Senators Smith, Allen, Begay, et al.

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1441 makes copper the official state metal.

## HISTORY

Arizona Revised Statutes Title 41, Chapter 4.1, Article 5 makes several designations of state emblems including: the bola tie as the state neckwear, turquoise as the state gemstone, petrified wood as the state fossil, and the Grand Canyon State as the state nickname.

According to the Arizona Mining Association, the mining industry employed 51,200 individuals and produced approximately 65% of the nation's copper. Copper is also considered the first of the five C's of Arizona's industry: copper, cattle, cotton, citrus and climate. ([mining facts](#))

## PROVISIONS

1. Designates copper as the official state metal.



# HOUSE OF REPRESENTATIVES

SB 1449

public monies; investment; pooled collateral

Sponsor: Senator Farnsworth D

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1449 makes various changes to the Statewide Pooled Collateral Program (Program).

## HISTORY

Laws 2013, Chapter 157 created the Program to provide a means for eligible depositories to aggregate collateral for public deposits and to ensure that taxpayer funds deposited into a federally insured depository, in excess of the Federal Deposit Insured Corporation (FDIC) insured amount, are backed by 102% collateral. The Program also created a Statewide Pooled Collateral Administrator (Administrator), appointed by the Treasurer, to oversee all collateral on behalf of all public depositors and to ensure that the requirements of the Program are adhered to.

## PROVISIONS

1. Removes each of the following forms of acceptable collateral of an eligible depository:
  - a. Registered warrants of the state, county or political subdivisions.
  - b. First mortgages and trust deeds on improved, unencumbered real estate.
2. Requires the Administrator to provide written consent before withdrawals of collateral.
  - a. Substitutions of collateral may be made with notification of the Administrator.
3. Specifies that if a political subdivision's aggregate monies available for deposit are less than the maximum coverage amount of the FDIC, rather than \$100,000, the subdivision must award the deposit of the funds to an eligible depository in accordance with a subdivision ordinance or resolution.
  - a. Specifies that deposits less than the maximum coverage amount of the FDIC are not subject to collateral requirements.
4. Stipulates that *public deposits* do not include monies collateralized pursuant to the U.S. Department of Housing and Urban Development (HUD) regulations.
5. Specifies that each of the following are not *public depositors*:
  - a. Charter Schools.
  - b. Native American tribes or tribal entities.
  - c. Federal agencies.
  - d. Housing authorities with deposits secured in accordance with HUD regulations.
6. Defines *public monies* as monies belonging to or received or held by officers of public debtors in their official capacity.
7. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

SB 1451

investment of trust monies  
Sponsor: Senator Farnsworth D

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1451 modifies statutes relating to financial procedures of the State Treasurer.

## HISTORY

The duties of the Treasurer are outlined in Arizona Revised Statutes (A.R.S.) § 41-172. Primarily, the Treasurer's Office:

- Manages a balance of more than \$13 billion in fixed income and equity investments in 25 different investment pools. ([State Treasurer's Office](#))
  - These investments are comprised of state taxes, fees and other revenues; local government investment deposits; and state land trust endowment funds.
- Directs the state's banking services.
- Maintains and invests state money

The Treasurer is granted statutory authority to invest state trust and treasury monies. A.R.S. § 35-310 defines *treasury monies* as all monies in the Arizona State Treasury (Treasury) or in its custody, while *trust monies* are defined as Treasury monies entrusted to the state for the purpose of safekeeping or investment.

A.R.S. § 35-315 requires the Treasurer to award a servicing bank contract to a qualified bank presenting the highest value for banking services. A servicing bank contract is awarded for a maximum five-year term.

## PROVISIONS

1. Requires bonds or other evidences of indebtedness for which the Treasurer invests trust and treasury monies to carry an investment grade rating by a nationally recognized bond rating agency.
  - a. Currently, these evidences must carry an investment grade rating by Moody's Investors Service or Standard & Poor's Rating Service.
2. Requires all State Transportation Board funding obligation interest rates to be based on bond interest rates with comparable maturity dates as determined by the pricing system used by the State Treasurer.
  - a. Currently, these interest rates must mirror comparable rates most recently published in the Wall Street Journal.
3. Decreases the asset threshold to become a state servicing bank from \$200 million to \$100 million.
4. Removes specified dates outlined in the servicing bank selection process.
5. Authorizes the Treasurer to use investment earnings to pay for software to assist with the analysis, tracking and trading of securities.
6. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1452

homeowners' associations; condominiums; director removal

Sponsor: Senator Farnsworth D

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1452 establishes homeowners' association (HOA) election requirements relating to the removal and replacement of a member of the Board of Directors (Board).

## HISTORY

An HOA is an organization of property owners in a condominium or planned community. These organizations are created to operate shared areas of their respective communities. HOAs are run by a Board that is elected by members of the community to act on their behalf. The Board has several enumerated statutory authorities, including the ability to adopt and amend budgets for revenues, expenditures and reserves, collect assessments for common expenses from unit owners, impose charges for late payments of assessments and impose reasonable monetary penalties upon unit owners for violations of community documents.

An HOA Board member may be removed from the Board by a majority vote of a quorum of HOA members that are entitled to vote. In order to call for the removal of a Board member, a petition must be circulated and signed by at least 25% of those entitled to cast a vote in the HOA or 100 votes, whichever is less. Upon receipt of a petition, the Board is required to call and provide written notice of a special meeting of the HOA to be held within 30 days. At any special meeting called for the removal of a Board member, a quorum is present if enough members are in attendance to cast 20% of the total votes or 1000 votes, whichever is less (Arizona Revised Statutes § 33-1813).

## PROVISIONS

1. Requires the Board to hold an election for the replacement of a removed Board member, at a separate meeting, within 30 days after the member's removal.
2. Prohibits any removed Board member from being appointed or elected to the Board for two years after the date of removal, unless the HOA documents specifically provide for a greater period of time.
3. Directs the Board to retain all documents and other records relating to any election or other action for a Board member's replacement.
4. Requires the Board of a condominium association to note any conflict of interest declarations in the public meeting records.
5. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

SB 1453

homeowners' associations; enforcement; elections; meetings

Sponsor: Senator Farnsworth D

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**DP** Committee on Government & Higher Education

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1453 modifies homeowners' associations (HOA) requirements relating to elections and late assessment and violation notifications.

## HISTORY

An HOA is an organization of property owners in a condominium or planned community. These organizations are created to operate shared areas of their respective communities. HOAs are run by a Board of Directors (Board) that is elected by members of the community to act on their behalf. The Board has several enumerated statutory authorities, including the ability to adopt and amend budgets for revenues, expenditures and reserves, collect assessments for common expenses from unit owners, impose charges for late payments of assessments and impose reasonable monetary penalties upon unit owners for violations of community documents.

An HOA of a planned community may charge reasonable penalties for assessments overdue by more than 15 days. These fees are limited to the greater of \$15 or 10% of the assessment owed (Arizona Revised Statutes [A.R.S.] § 33-1803).

A.R.S. § 33-1242 authorizes an HOA of a condominium to impose charges for late payment of assessments and, after notice and an opportunity for an administrative hearing, impose reasonable monetary penalties on unit owners for violations of the HOA declaration, bylaws and rules.

## PROVISIONS

### *Late Assessment and Violation Notifications*

1. Stipulates that any charge for late payment of assessments imposed by an HOA may only be imposed after notification of overdue assessments.
2. Requires HOAs to provide members with a written notice of the member's option to petition for an administrative hearing in the Arizona Department of Fire, Building and Life Safety when noticed for violation of property condition requirements.

### *HOA Elections*

3. Requires a completed HOA election ballot, envelope or related materials of a unit owner to include the name, address and signature of the person voting.
4. Directs HOAs to retain all ballots, envelopes and related materials and make them available for inspection for at least one year after the completion of the election.

### *Miscellaneous*

5. Requires the Board of a planned community association to note any conflict of interest declarations in the public meeting records.
6. Makes technical changes.



# HOUSE OF REPRESENTATIVES

## SB 1008

chiropractic board; licensure; regulation; fees

Sponsor: Senator Barto

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1008 allows the Arizona Board of Chiropractic Examiners (Board) to annually establish fees, increase fee caps and makes various other changes. Contains a Proposition 108 clause.

### HISTORY

Laws 1921, Chapter 118 created the Board for the purpose of protecting the public by enforcing the laws regulating the practice of chiropractic. Arizona Revised Statutes (A.R.S.) § 32-901 outlines the membership of the Board, which consists of three licensed chiropractors and two consumer members who are appointed by the Governor. Each member receives compensation of \$100 for each day of actual service in the business of the Board and is eligible for reimbursement of expenses. The Board currently licenses over 2,500 chiropractors in Arizona.

A.R.S. § 32-921 outlines the application process for a person who wishes to practice chiropractic in Arizona. Currently on making an application, an applicant is required to pay the executive director of the Board a nonrefundable fee of \$250. Statute also lists the requirements to be eligible for examination and licensure. A.R.S. § 32-923 requires every person licensed to practice chiropractic to apply for renewal before January 1 after the original issuance of a license and to pay a renewal license fee.

### PROVISIONS

1. Requires the Board to review the amount of each fee in a public hearing at least once each fiscal year before establishing the amount of a fee for the subsequent year.
2. Stipulates the Board can refuse to give an examination or may deny licensure to an applicant who has engaged in any conduct that constitutes grounds for disciplinary action.
3. Increases the application fee from \$250 to not more than \$325.
4. Increases the original license fee from \$100 to not more than \$125.
5. Increases the certificate fee from \$100 to not more than \$125.
6. Increases the fee on making an application from \$100 to not more than \$125.
7. States that a chiropractor who is certified to perform physiotherapy before July 29, 2010 is deemed to be certified in physical medicine modalities and therapeutic procedures.
8. Authorizes the Board to issue a license by endorsement to an applicant who meets all of the following requirements:
  - a. Has actively practiced chiropractic in another state or jurisdiction for at least five of the immediately preceding seven years;
  - b. Has not had an adverse disciplinary action taken against a professional license issued by another state or jurisdiction;
  - c. Receives a grade of at least seventy-five percent on the Arizona Jurisprudence Examination;



- d. Pays to the executive director of the Board a nonrefundable fee of not more than \$500, on making an application; and
  - e. Pays the original license fee.
9. Requires the applicant to present proof satisfactory to the Board that:
- a. A professional license of the applicant issued by any other state or jurisdiction has not been sanctioned for any cause that may be a basis of a sanction imposed by the Board, except for failure to pay fees;
  - b. The applicant has not previously failed the examination in Arizona; and
  - c. The applicant qualifies for licensure, except the applicant is not required to submit proof of obtaining a passing score on part III or IV of the examination conducted by the National Board of Chiropractic Examiners.
10. Exempts applicants for chiropractic licensure from the application fee.
11. Increases the fee for a renewal license from \$170 to not more than \$225.
12. Clarifies that the Board must administratively suspend a license automatically if the licensee does not submit a complete application for renewal and pay the renewal license fee.
13. Authorizes the Board to reinstate a license if the person completes an application for reinstatement as prescribed by the Board, complies with the continuing education requirements for each year that the license was suspended, pays the annual renewal license fee for each year that the license was suspended and pays an additional fee of \$200.
14. Requires a licensee who has been notified of a complaint to file with the Board a written response within twenty days after service of the complaint and the notice of hearing.
15. States that if the licensee fails to file an answer in writing, it is deemed an admission of the act or acts charged in the complaint and notice of hearing and the Board can take disciplinary action without a hearing.
16. Defines *administratively suspend*.
17. Contains a Proposition 108 clause.
18. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1012

osteopathic board; licensure; regulation

Sponsor: Senator Barto

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1012 makes various changes to statute regarding the Board of Osteopathic Examiners in Medicine and Surgery (Board).

## HISTORY

Laws 1970, Chapter 138, established the Board of Osteopathic Examiners in Medicine and Surgery. The Board regulates over 2,500 doctors of osteopathic medicine and regulates over 200 osteopathic interns and residents receiving post-graduate training in Arizona hospitals and clinics.

The Board is composed of five osteopathic doctors and two members of the public who shall not be in any manner connected with, or have an interest in, any school of medicine or any person practicing any form of healing or treatment of bodily or mental ailments and who has demonstrated an interest in the health problems of the state. The governor appoints each member to a five-year term. Each member may serve a second consecutive term, if re-appointed.

The mission of the Board is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

## PROVISIONS

### *Locum Tenens*

1. Permits the Board or Director to require an applicant to submit to a personal interview to provide appropriate information regarding the applicant's ability to practice under locum tenens registration.
  - a. States that the applicant is responsible for all costs relating to the interview.
2. Allows the Board to deny an application for any professional misconduct that would constitute grounds for disciplinary action pursuant to statute or as determined by a competent foreign or domestic jurisdiction.
3. Specifies that a locum tenens registrant is subject to the same disciplinary provisions relating to an osteopathic physician.

### *License Renewal*

4. Removes the requirement that the Director send a license renewal notification to a licensee by way of first class mail.
5. Specifies that a licensee must complete 40 clock hours of continuing education every two years, rather than 20 hours each year.

### *Training Permits*

6. States that in order for a person to obtain a training permit granted by the Board, the applicant is required to submit an application that shows proof of the following:
  - a. The applicant's name on the application is valid;

- b. Graduation from an approved school;
  - c. Citizenship or resident alien status;
  - d. Participation in any postgraduate training;
  - e. Passage of approved examinations appropriate to the applicant's level of education and training;
  - f. The applicant has not engaged in unprofessional conduct and proof of rehabilitation if professional misconduct has occurred;
  - g. Good moral conduct; and
  - h. Physical, mental and emotional ability to practice medicine or consent to a contingent permit or entry into a confidential substance abuse treatment program if the applicant is limited, restricted or impaired in their ability to practice medicine.
7. Specifies that the information that an applicant submits to the Board must be on a form and in a manner prescribed by the Board.

#### **Teaching Licenses**

8. Allows a doctor of osteopathic medicine, not licensed in this state to be employed as a full-time faculty member of a school of osteopathic medicine in this state that is approved by the American Osteopathic Association.
9. Exempts teaching license holders from continuing education and examination requirements.
10. Permits the Board or Director to require an applicant, at their own expense, to submit to the following:
- a. A personal interview which may include questions regarding medical knowledge and other relevant matters;
  - b. A physical examination;
  - c. A mental examination; or
  - d. Any combination of the three.
11. Specifies that if an interview or examination is required, the Board must prescribe a reasonable time and place in order to receive necessary information regarding the applicant's ability to meet licensure requirements.
12. Allows the Board to deny a license for any unprofessional conduct that would constitute grounds for disciplinary action pursuant to statute or as determined by a competent domestic or foreign jurisdiction.
13. Stipulates that teaching licensees holders are subject to the same disciplinary provisions as licensed Arizona osteopathic physicians.

#### **Retired Licenses**

14. Requires the Board to waive a physician's biennial renewal fee if certain conditions are met and the person does not have any pending complaints or open disciplinary matters before the Board.
15. Requires a retired physician, who has been granted retired status by the Board, to submit a renewal of retired status every two years.
16. Allows the Board to:
- a. Deny the request of a retired physician to be reinstated to active status;
  - b. Place the licensee on probation; or
  - c. Issue a limited license that requires general or direct supervision by another licensed doctor of osteopathy for not more than one year.

#### **Pro Bono Registration**

17. Allows the Board to issue a pro bono registration for a total of 60 days each calendar year performed either consecutively or cumulatively, to a doctor of osteopathy not licensed in this state if all of the following requirements are met:
- a. An active and unrestricted license is held in the United States or its territories;

- b. A license has never been revoked or suspended by a health profession regulatory board of another jurisdiction;
- c. An applicant for pro bono registration is not the subject of an unresolved complaint;
- d. Application for registration is done on an annual basis as prescribed by the Board; and
- e. All medical services are rendered free of charge and no salary is accepted or only initial or follow-up examinations are performed at no cost to the patient and the patient's family through a charitable organization.

- 18. Requires an applicant to provide the Board the name of each state in which a license is, or has been held.
- 19. Requires the Board to verify that an applicant holds or has held a license, has not had a license revoked or suspended and is not the subject of an unresolved complaint.
  - a. Allows the Board to accept the verification of information either electronically or by hard copy.

#### **Unprofessional Conduct**

- 20. Specifies the following constitute an act of unprofessional conduct:
  - a. Knowingly, rather than wilfully betraying a professional secret;
  - b. Practicing medicine while under the influence of a dangerous drug, as defined in the criminal code; and
  - c. Failing or refusing to establish and maintain adequate records on an adult or child patient for at least six, rather than seven years after the last date the licensee provided medical or health care services.
- 21. Changes the timeframe requirement relating to how long medical records must be retained for a patient who has died.

#### **Disciplinary Action**

- 22. Allows the Board to issue a letter of concern if:
  - a. Upon completion of an investigation, the Board finds evidence to be not of sufficient seriousness to merit direct action against a physician's license; or
  - b. The Board deems it necessary upon completion of an investigative hearing and competence examination.
- 23. Specifies that sworn statements of witnesses may be considered in an investigative hearing, rather than at a formal hearing.
- 24. Removes the requirement that a licensee respond in writing to charges in a complaint in order to be present with counsel and witnesses at the investigative or administrative hearing.
- 25. Permits the Board to accept the surrender of an active license from a licensee who admits in writing to being unable to safely practice medicine.
- 26. Requires a licensee to respond within 30 days in writing to the Board, after a notice of formal or administrative hearing is served.
  - a. Specifies that if a licensee fails to respond in writing, the licensee will be deemed guilty in absentia and the Board may revoke or suspend the license without a hearing.

#### **Fees**

- 27. Removes the requirement that the Board establish fees for the sale of copies of the annual osteopathic medical directory.
- 28. Requires the Board to establish a fee for the sale of a computerized format of the Board's licensee directory.
- 29. States that the licensure application fee, teaching application fee and the training permit application fee are nonrefundable.
- 30. Specifies that training permit fees are prescribed by the Board.

#### **Miscellaneous**

- 31. Allows the Board to call witnesses at an investigative hearing.

32. Removes the requirement to publicly post the number of malpractice claims by award or settlement on behalf of osteopathic physicians in the last 10 years.
33. Specifies that an applicant for licensure must graduate from a school of osteopathic medicine approved by the American Osteopathic Association.
34. States that, at an applicant's expense, the Board may request an interview, physical examination or mental evaluation to determine the applicant's ability to meet licensure requirements.
35. Specifies that a person whose license has been revoked, denied or surrendered may apply for licensure not sooner than 5 years after the revocation, denial or surrender.
36. Removes the requirement that the Board inform all hospitals in this state of all disciplinary actions taken against a licensee, except letters of concern.
37. Modifies terms.
38. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

SB 1034

AHCCCS; emergency services; case management

Sponsor: Senator Ward

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1034 requires an Arizona Health Care Cost Containment System (AHCCCS) contractor to intervene and educate an AHCCCS member on the proper use of emergency services if used improperly and to report this intervention to AHCCCS.

## HISTORY

Laws 1981, Chapter 1, established AHCCCS. AHCCCS is Arizona's Medicaid Program that oversees contracted health plans in the delivery of health care to individuals and families who qualify for Medicaid and other medical assistance programs. Through contracted health plans across the state, AHCCCS delivers health care to qualifying individuals including low-income adults, their children or people with certain disabilities.

AHCCCS provides medical assistance programs for acute care, long term care and contracts with the Arizona Department of Health Services Division of Behavioral Health Services to bring behavioral health services to its acute care members. As of February 2015 there are approximately 1.6 million individuals enrolled in the AHCCCS program.

## PROVISIONS

1. Requires a contractor to intervene if a member inappropriately seeks care at a hospital emergency department four times or more in a six-month period to educate the member regarding the proper use of emergency services.
2. Requires contractors to report to AHCCCS the number of times the contractor intervenes with members in a manner prescribed by the administration.



# HOUSE OF REPRESENTATIVES

## SB 1212 behavioral health examiners board Sponsor: Senator Barto

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1212 updates the behavioral health statutes.

### HISTORY

Laws 1988, Chapter 313 established the 12 member, governor appointed Board of Behavioral Health Examiners, with the mission to establish and maintain standards of qualifications and performance for the four categories of licensed behavioral health professionals. Counselors work with individuals, families and groups to treat mental, behavioral and emotional problems and disorders. Marriage and Family Therapists diagnose and treat mental and emotional disorders within the context of marriage, couples and family systems. Social Workers counsel individuals, families and communities and provide social service assistance through various organizations such as schools and public social agencies. Substance Abuse Counselors counsel individuals and families on addiction, prevention, treatment, recovery support and education.

The Board accomplishes its mission through the regulation of licensed behavioral health professionals, collaborating with community partners to improve the level of behavioral health services and providing increased outreach efforts to improve public awareness of and access to Board services. Responsibilities of the Board include licensing behavioral health professionals, investigating and resolving complaints and disciplining violators. As of February, 2015 there are approximately 9,600 certified behavioral health professionals in Arizona. Board members are eligible to receive compensation of not more than \$85 for each day spent in their official duties.

### PROVISIONS

1. Allows behavioral health professionals to utilize telemedicine.
2. Requires the Board to adopt rules regarding the use of telemedicine beginning November 1, 2015.
3. Allows the Executive Director (Director), if delegated by the Board, to dismiss a complaint if the investigative staff's review indicates that the complaint is without merit and that dismissal is appropriate.
4. Requires the Director, at each regularly scheduled board meeting, to provide to the Board a list of each complaint the Director dismissed since the last board meeting.
5. Allows a person who disagrees with an action taken by the Director to file a written request that the Board review that action. The request must be filed within 30 days after that person is notified of the Director's action by personal delivery or if the notification is mailed to that person's last known residence or place of business, within 35 days after the date of notification. At the next regular board meeting, the Board must review the Director's action and, on review, must approve, modify or reject the Director's action.
6. Requires, rather than allows, the Board to establish academic review committees for each professional area.
7. Specifies on referral by the Director, to the academic review committee, that recommendations be made to the Board regarding whether an applicant has met the supervised work experience when the applicant's

curriculum has not been approved or whose program is not accredited by an organization or entity approved by the Board.

8. Mandates that members of the academic review committee have experience in the design and development of the curriculum of a related program. If qualified, a faculty member may serve on more than one committee. A Board member may not be appointed to serve on an academic review committee.
9. Specifies that committee members must initially be appointed by the Board. From and after January 1, 2016, the Governor must appoint the committee members. A committee member who is initially appointed by the Board may be reappointed by the Governor. A committee member who is initially appointed by the Board must continue to serve until appointed or replaced by the Governor.
10. Requires committee members to receive at least five hours of training within one year after the member is initially appointed and that includes instruction in ethics and open meeting laws.
11. Provides that a person who was engaged in the practice of behavioral health while appointed under federal law may submit behavioral health practice outside the state or states issuing the license or certification.
12. Removes obsolete language for behavioral health professionals who were grandfathered in for licensure by endorsement.
13. Requires an applicant for a license as a marriage and family therapist to have completed 3,200 hours of post-master's degree experience *in not less than 24 months* and requires 1,000 hours of clinical experience to include a combination of *100* rather than *200* hours of group or individual supervision in the practice of marriage and family therapy.
14. Requires an applicant for a licensed substance abuse technician, associate substance abuse technician or an independent substance abuse counselor to present evidence to the board that the applicant has received at least 3,200 hours of work experience in not less than 24 months.
15. Provides a rule making exemption for the Board until November 1, 2016.
16. Requires the Board to allow interested parties to provide to the Board written comments or testimony on proposed rules and the Board must adequately address the comments, including comments or testimony concerning the information contained in the economic, small business and consumer impact statement. The Board must hold at least two public hearings on its proposed rules before adoption and must testify before the Joint Legislative Budget Committee regarding the proposed rules.
17. Contains an effective date provision.





# HOUSE OF REPRESENTATIVES

SB 1213

physician assistants; licensure; renewal

Sponsor: Senator Barto

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**DPA** Committee on Health

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1213 changes the renewal cycle for physician assistants (PAs) from once a year to every two years and makes necessary statutory adjustments.

## HISTORY

Laws 1984, Chapter 102 established the Arizona Regulatory Board of Physician Assistants (Board). The Board consists of eleven Governor appointed members who serve four year terms. The mission of the Board is to protect public safety through the judicious licensing, regulation and education of physician assistants (PAs). The Board licenses qualified PAs, investigates patient complaints and takes disciplinary action when necessary. As of February 2015, there are approximately 2,400 licensed PAs. Board members are eligible to receive compensation in the amount of \$200 for each day of service and for all expenses necessarily incurred in attending board meetings.

## PROVISIONS

1. Clarifies that the Governor appoints the Board members.
2. Requires the Board to update a licensee's profile on their website after receipt of the renewal application.
3. Changes the renewal date for licensees from *June 1 of every year* to *every other year on or before the licensee's birthdate*, effective January 1, 2016 and incorporates other changes as necessary.

## Amendments

### **Committee on Health**

1. Makes a clarifying change.



# HOUSE OF REPRESENTATIVES

SB 1214

homeopathic board; licensure; regulation

Sponsor: Senator Barto

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1214 allows the Arizona Board of Homeopathic and Integrated Medicine (Board) to establish a treatment program for licensees with medical, psychiatric, psychological or behavioral health disorders.

## HISTORY

Laws 1980, Chapter 249 established the Board to protect the health, safety and welfare of Arizona citizens by examining, licensing and regulating homeopathic physicians. The Board also registers homeopathic medical assistants that work under the supervision of licensed homeopathic physicians. As of February 2015, the Board licenses and regulates approximately 87 physicians, and has registered 23 medical assistants.

Arizona Revised Statutes § 32-2934 authorizes the Board to investigate any evidence that appears to show that a licensee is or may be medically incompetent, guilty of unprofessional conduct or mentally or physically unable to engage safely in the practice of homeopathic medicine. Statute also permits any licensee, the Arizona Homeopathic and Integrative Medical Association, any health care institution and any other person to report to the Board any information that appears to show that a licensee is or may be medically incompetent, guilty of unprofessional conduct or mentally unable to engage safely in the practice of homeopathic medicine. Additionally, statute outlines the actions the Board may take once an investigation is complete.

## PROVISIONS

1. Modifies the definition of *approved school of medicine* as it relates to a person who is seeking licensure, to mean a school or college that on successful completion results in a degree of doctor or homeopathy and that is approved or accredited by the Accreditation Commission for Homeopathic Education in North America or any board-approved similar body that accredits this course of study.
2. Extends the term of four committee members until January 1, 2017 and delays membership for five members until January 1, 2017.
3. Requires the Board to vacate its previous order to revoke a license if that revocation was based on the applicant's conviction of a felony or an offense involving moral turpitude and that conviction has been reversed on appeal.
4. States that the Board may not open an investigation if identifying information regarding the complainant is not provided to the Board.
5. Stipulates that if a complainant wishes to have their identifying information withheld from the licensee against whom the allegation of unprofessional conduct is being made, the Board must enter into a written agreement with the complainant stating that the complainant's identifying information will not be provided to the licensee to the extent consistent with the administrative appeals process and requires the Board to post this policy on their website.

6. States that the Board may require a licensee under investigation to undergo any combination of mental, physical, oral or written medical competency examination at the licensee's expense.
7. Requires a licensee that has been notified of a complaint to file a written response to the Board within 20 days after service of the complaint and the notice of the hearing.
8. Stipulates that if a licensee fails to file an answer in writing, it is considered an admission of the act or acts charged in the complaint and notice of hearing and allows the Board to take disciplinary action without a hearing.
9. Authorizes the Board to establish a confidential program for the evaluation, treatment and monitoring of persons who are licensed and have a medical, psychiatric, psychological or behavioral health disorder that may impact the ability to safely practice medicine or perform health care tasks. The program must include education, intervention, therapeutic treatment and post-treatment monitoring and support.
10. Allows a licensee who has a medical, psychiatric, psychological or behavioral health disorder who has not committed a violation to agree to enter into a confidential consent agreement with the Board for participation in a program if the licensee either:
  - a. Voluntarily reports that disorder to the Board
  - b. Is reported to the Board by a peer review committee, hospital medical staff member, health plan, other health care practitioner or health care entity.
11. Permits the Board to contract with a private organization to operate a program and states that the contract must require the private organization to do all of the following:
  - a. Periodically report to the Board regarding treatment program activity.
  - b. Release all treatment records to the Board on demand.
  - c. Immediately report to the Board the name of a licensee who the treating organization believes is incapable of safely practicing medicine or performing health care tasks.
12. Provides that an evaluator, teacher, supervisor or volunteer who acts in good faith within the scope of the program is not subject to civil liability, including malpractice liability, for the actions of a licensee who is participating in the program.
13. Terminates the confidential program for the treatment of mental, behavioral and physical health disorders established by this act on July 1, 2025.
14. Stipulates that the Board may not act on any complaint in which an allegation of unprofessional conduct or any other violation occurred more than seven years before the complaint is received by the Board and states that the time limitation does not apply to medical malpractice settlements or judgments.
15. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

SB 1215

respiratory care; temporary licensure; repeal

Sponsor: Senator Barto

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1215 removes the requirement for the Arizona Board of Respiratory Care (Board) to issue temporary licenses and temporary license renewals.

## HISTORY

Arizona Revised Statutes (A.R.S.) § 32-3502 established the Board consisting of seven members appointed by the governor including: three licensed respiratory care practitioners, a physician who is knowledgeable in respiratory care, two public members who are not involved in providing health care services and one hospital administrator. The term of each Board member is three years and begins and ends on June 30. A.R.S. § 32-3506 requires an individual who is not a Board member to serve as the executive director and outlines the duties of the executive director which includes the requirement to issue temporary license certificates and temporary license renewal certificates.

A.R.S. § 32-3521 allows a person who has filed an application for licensure, from the date they receive notice their application on file to the date they receive their license, to perform respiratory care services without a license if the services are performed under the direct supervision of a licensed respiratory care practitioner or physician. This period is not to exceed one year and during this period, the Board is required to grant the applicant a temporary license. Following this, the Board is required to review the applicant's excepted status and is permitted to renew the temporary license for an additional 120 days.

## PROVISIONS

1. Removes the requirement for the Board to issue temporary licenses and temporary license renewals.
2. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

## SB 1288

prescription drug coverage; medication synchronization

Sponsors: Senators Yee, Begay, Dalessandro, et al.

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1288 provides for the synchronization of an insured patient's prescription medication.

### HISTORY

Arizona Revised Statutes § 32-1968 covers the regulations concerning dispensing prescription-only drugs, prescription orders, refills, labels and misbranding. A prescription-only drug can only be dispensed under one of the following conditions, by a medical practitioner, a written prescription order bearing the prescribing medical practitioner's manual signature, an electronically transmitted prescription order containing the prescribing medical practitioner's electronic or digital signature, a written prescription order generated from electronic media containing the prescribing medical practitioner's electronic or manual signature, an oral prescription order or refilling any written, electronically submitted or oral prescription if a refill is authorized by the prescriber. Both an electronically transmitted prescription and an oral prescription order must be reduced promptly to writing and filled by the pharmacist. A prescription order is required to contain the date it was issued, the name and address of the person for whom the drug is ordered, refills authorized, if any, the legibly printed name, strength, dosage form and quantity of the drug ordered and directions for its use.

Medication synchronization is a process where a pharmacist coordinates refills for a patient who is taking multiple prescriptions, allowing them to be filled on the same day each month. Partial fills for less than the standard refill amount are often required in order to align all patient medications to the same refill date.

### PROVISIONS

1. States that a prescription contract, an evidence of health care coverage, a disability insurance policy or a group or blanket disability insurance contract that is issued or renewed on or after January 1, 2017 and that provides coverage for prescription drugs:
  - a. May not deny coverage and is required to prorate the cost sharing rate for a prescription drug that is dispensed by a network if certain criteria are met and if the insured requests enrollment into a medical synchronization program; and
  - b. Requires acceptance of early and short refill requests for prescription drugs using the submission clarification and message codes as adopted by the National Council for Prescription Drug Plans or alternative codes provided by the insurance plan.
2. Defines *medication synchronization*.



# HOUSE OF REPRESENTATIVES

## SB 1290

independent medical examinations; board complaints

Sponsors: Senators Ward, Yee; Representative Cobb, et al.

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**DP** Committee on Health

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1290 prohibits the filing of a complaint to a regulatory medical board, if the complaint is based on a disagreement with the findings of an independent medical examination conducted by a medical doctor, podiatrist or doctor of osteopathic medicine.

### HISTORY

Title 23, Chapter 6, Arizona Revised Statutes (A.R.S.) governs worker's compensation. Specifically, A.R.S. § 23-1026 states that an employee who is eligible for worker's compensation benefits is required to submit to an independent medical examination from time to time if certain conditions are met and is requested by either the Industrial Commission of Arizona, an employer or an insurance carrier.

Medical doctors, podiatrists and doctors of osteopathic medicine are regulated by their respective boards contained within A.R.S., Title 32. Pursuant to Title 32, each respective board may investigate any evidence that appears to show that a medical professional is or may be guilty of unprofessional conduct. Statute outlines each respective board's process for dealing with complaints regarding unprofessional conduct.

### PROVISIONS

1. Prohibits the filing of a complaint for unprofessional conduct against podiatrists, medical doctors, or osteopathic physicians if the complaint is based on a disagreement with the findings of an independent medical examination.
2. Stipulates that a complaint for unprofessional conduct may be filed, if the complaint is filed for reasons other than a disagreement of the findings or opinions of the examination.
3. Defines *independent medical examination*.
4. Makes technical and conforming changes.



# HOUSE OF REPRESENTATIVES

SB 1166

health care insurance; utilization review

Sponsors: Senators Farnsworth D, Kavanagh; Representative Cardenas, et al.

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**DP** Committee on Insurance

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1166 clarifies the responsibility of health care insurers to include the administration of all patient claims processed by utilization review agents (URA).

## HISTORY

Arizona Revised Statutes (A.R.S.) § 20-2501 defines *utilization review* as a system for reviewing the appropriate and efficient allocation of inpatient hospital resources, inpatient medical services, and outpatient surgery services that are being given or are proposed to be given to a patient. This includes any medical, surgical and health care services or claims for services that may be covered by a health care insurer depending on determinable contingencies, including without limitation outpatient services, in-office consultations with medical specialists, specialized diagnostic testing, mental health services, emergency care and inpatient and outpatient hospital services. Utilization review does not include elective requests for the clarification of coverages.

Statute defines *utilization review agent* as those persons and entities that perform utilization review and includes any health care insurer whose utilization review plan includes the direct or indirect denial of requested medical or health care services or the denial of claims.

A.R.S. § 20-2531 requires the adoption of written utilization review standards and review processes, reconsideration, and appeal of denials by URAs and health care insurers whose utilization review system includes the power to affect the direct or indirect denial of requested medical or health care services or claims for medical or health care services.

URAs must adopt a written utilization review plan with standards and criteria that apply to all utilization review decisions and is objective, clinically valid and compatible with established principles of health care. Additionally, the plan must be established with input from physician advisors and include a process for prompt initial reconsideration of an adverse decision and a process for appeals.

## PROVISIONS

1. States that a health care insurer who utilizes the services of an outside URA is responsible for the URA's acts including the administration of all patient claims processed by the URA on behalf of the health care insurer.
2. Makes technical changes.



# HOUSE OF REPRESENTATIVES

SB 1048

vexatious litigants; fees; costs; designation

Sponsor: Senator Kavanagh

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**DP** Committee on Judiciary

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1048 prohibits the court from waiving fees and costs for civil actions filed by a pro se vexatious litigant, except in domestic relation actions. Allows a party to amend a request to designate a pro se litigant a vexatious litigant.

## HISTORY

Laws 1994, Chapter 358, § 1 authorizes the court to extend the time for paying any court fees and costs required by law or relieve against a default caused by nonpayment of a fee with the time provided by law, but specifies that no fees paid shall be refunded. The court is required to grant an application for deferral of court fees and costs if the applicant establishes by affidavit, including supporting documentation, that the applicant either: 1) is receiving temporary assistance for needy families (TANF) or food stamps; 2) is receiving supplemental security income; or 3) has income that is insufficient or barely sufficient to meet the daily essentials of life and that includes no allotment that could be budgeted for the fees and costs that are required to gain access to the court. Statute specifies that the court shall waive fees or costs when presented with proof that the applicant is permanently unable to pay. Current law specifies that a waiver of court fees or costs shall not be granted for class actions, domestic relation actions filed by an applicant who is incarcerated as a result of a felony conviction in an out-of-state correctional facility or in a jail waiting to be transported to a state department of corrections facility.

Arizona Revised Statutes § 12-3201 was added by Laws 2014, Chapter 41, § 1. This statute specifies that in a noncriminal case, at the request of a party or on the court's own motion, the presiding judge of the superior court or a judge designated by the presiding judge of the superior court may designate a pro se litigant a vexatious litigant. Statute declares that a pro se litigant is a vexatious litigant if the court finds the pro se litigant engaged in vexatious conduct. The prescribed designation prohibits the person from filing a new pleading, motion or other document without prior permission of the court. Statute defines *vexatious conduct*.

## PROVISIONS

1. Prohibits the court from granting a waiver of court fees or costs in civil actions filed by a designated vexatious litigant unless the action is for a dissolution of marriage, legal separation, annulment or establishment, enforcement or modification of child support.
2. Requires the court to order an applicant to pay deferred or waived court fees and costs if an applicant is found to be a vexatious litigant during the pendency of the action.
3. Allows a requesting party to make an amended request at any time if the court either:
  - a. Determined that the party is not a vexatious litigant and the requesting party has new information or evidence that is relevant to the determination, even if there is not a pending case in the court.
  - b. Did not rule on the original request during the pendency of the action, even if there is not a pending case in the court.



4. Makes a technical change.
5. Provides a delayed effective date.



# HOUSE OF REPRESENTATIVES

SB 1063

obstructing a highway; public thoroughfare

Sponsor: Senator Kavanagh

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**DP** Committee on Judiciary  
**DP** Committee on Government & Higher Education  
**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1063 prescribes a Class 3 misdemeanor to pedestrians intentionally activating the pedestrian signal button on a highway or public thoroughfare if the person's reason is to both stop the passage of traffic on the highway or thoroughfare and to solicit money or a donation.

## HISTORY

Arizona Revised Statutes § 13-2906 was added by Laws 1977, Chapter 142, § 91. Current statute prescribes a Class 3 misdemeanor to a person who obstructs a highway or other public thoroughfare if, having no legal privilege to do so, such person, alone or with other persons, recklessly interferes with the passage of any highway or public thoroughfare by creating an unreasonable inconvenience or hazard.

## PROVISIONS

1. Prescribes a Class 3 misdemeanor to pedestrians intentionally activating the pedestrian signal button on a highway or public thoroughfare if the person's reason is to both stop the passage of traffic on the highway or thoroughfare and to solicit money or a donation.



# HOUSE OF REPRESENTATIVES

SB 1179

criminal damage; gangs; criminal syndicates

Sponsors: Senators Smith: Meza; Representative Espinoza

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**DP** Committee on Judiciary

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1179 prescribes a Class 5 felony to a person who recklessly damages property of another if the damage is inflicted to promote, further or assist any criminal street gang or criminal syndicate with the intent to intimidate.

## HISTORY

Arizona Revised Statutes § 13-1602 was added by Laws 1977, Chapter 142, § 70. The law specifies that a person commits criminal damage by 1) recklessly defacing or damaging property of another person; 2) recklessly tampering with property of another person so as to substantially impair its function or value; 3) recklessly damaging property of a utility; 4) recklessly parking any vehicle in such a manner as to deprive livestock of access to the only reasonably available water; 5) recklessly drawing or inscribing a message, slogan, sign or symbol that is made on any public or private building, structure or surface, except the ground, and that is made without permission of the owner; 6) intentionally tampering with utility property.

## PROVISIONS

1. Provides that criminal damage is a Class 5 felony if the damage is inflicted to promote, further or assist any criminal street gang or criminal syndicate with the intent to intimidate.
2. Specifies that the penalty remains a Class 4 felony if:
  - a. the criminal damage is \$10,000 or more;
  - b. the damage is to utility property in an amount of \$5,000 or more; or
  - c. the person tampers with utility property and the damage causes an imminent safety hazard to any person.



# HOUSE OF REPRESENTATIVES

SB 1295

fingerprinting; judgment of guilt; records

Sponsor: Senator Smith

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**DP** Committee on Judiciary

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1295 requires a booking agency to take an arrestee's ten-print fingerprints if the agency cannot determine whether legible ten-print fingerprints were taken by the arresting authority and allows the court to obtain and record a defendant's two fingerprint biometric-based identifier in the court case file.

## HISTORY

Arizona Revised Statutes (A.R.S.) § 13-607 was added by Laws 1984, Chapter 142, § 1. The law specifies that at the time of sentencing a person convicted of a felony offense, theft, shoplifting or DUI, the court or its appointee shall execute a judgment of guilt and sentence document or minute order. The court or a person appointed by the court is required to permanently affix the defendant's right index fingerprint to the document or order. Affixing fingerprints to the court document or order is necessary to ensure that accurate criminal records in the *central state repository* are maintained.

A.R.S. § 41-1750 was added by Laws 1992, Chapter 247, § 4. The law requires the Department of Public Safety (DPS) to be responsible for the effective operation of the *central state repository* in order to collect, store and disseminate complete and accurate Arizona criminal history records and related criminal justice information. Statute requires DPS to procure from all criminal justice agencies in this state accurate and complete personal identification data, fingerprints, charges, process control numbers and dispositions and other information as may be pertinent to all persons who have been charged with, arrested for, convicted of or summoned to court as a criminal defendant for a felony offense or an offense involving domestic violence, sex crimes or DUI offenses.

Two of the main duties required of DPS in regard to the central state repository are to provide criminal history record information to the fingerprinting division for the purpose of screening applicants for fingerprint clearance cards and exchange criminal justice information between the central state repository and statutorily specified individuals, boards, agencies, repositories of other states and the supreme court.

## PROVISIONS

1. Requires a booking agency to take the arrestee's ten-print fingerprints if the agency cannot determine whether legible ten-print fingerprints were taken from the arrestee by the arresting authority.
2. Allows the court or its appointee to obtain and record the defendant's two fingerprint biometric-based identifier in the court case file, rather than permanently affix a defendant's fingerprint to the sentence document or minute order.
3. Requires the sentence document or minute order to specify if the offense was committed while the defendant was released from confinement.
4. Requires the court or the court clerk to certify that the defendant's two fingerprint biometric-based identifier was obtained and recorded in the case file.

5. Specifies that a person arrested for a misdemeanor offense involving domestic violence, sex crimes or DUI offenses shall not be released until the person provides either a fingerprint or a two fingerprint biometric-based identifier to the arresting agency.
6. Makes technical changes.



# HOUSE OF REPRESENTATIVES

## SCM 1008

disability rating process; veterans

Sponsors: Senator Smith; Representative Borrelli

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**DP** Committee on Military Affairs and Public Safety

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SCM 1008 urges the U.S. Department of Veterans Affairs (VA) to review the disability rating process and urges Congress to enact legislation to maintain disability ratings regardless of certain employment.

### HISTORY

The VA determines disability benefits for veterans based on the evidence a person submits as part of a claim or that the VA obtains from military records. The VA rates disability from 0% to 100% in 10% increments and pays additional amounts if a veteran has severe disabilities or loss of limb(s), dependents, or a seriously disabled spouse. The rating is based primarily on the average impairment in earning capacity due to the economic or industrial handicap which must be overcome and not from individual success in overcoming it (38 C.F.R. § 4.15).

Individual Unemployability (IU) is a part of the VA's disability compensation program that allows the VA to pay certain veterans compensation at the 100% rate, even though the VA has not rated the veteran's service-connected disabilities at the 100% level. Total Disability Rating Based on IU is granted to disabled veterans who are unable to secure or follow an occupation as a result of service related disabilities and who meet specific disability percentage ratings. The ratings established by the VA for IU eligibility are: one service-connected disability rated at 60% or more, or two or more service-connected disabilities with at least one disability rated at 40% or more with a combined rating of 70% or more (38 C.F.R. § 4.16).

Veterans who are receiving IU benefits may work as long as it is considered marginal employment rather than substantially gainful employment. *Marginal employment* is when a veteran's earned income does not exceed the amount established by the U.S. Census Bureau as the poverty level for one person. This employment includes, but is not limited to, employment in a protected environment, such as a family business or sheltered workshop, when earned annual income exceeds the poverty threshold. As defined by the VA, *substantially gainful employment* is employment at which non-disabled individuals earn their livelihood with earnings comparable to the particular occupation in the community where the veteran resides.

### PROVISIONS

1. Urges the VA to:
  - a. review the disability rating process to ensure disability ratings are consistent;
  - b. review the limitations on employment of veterans with disabilities and the ways in which veteran benefits are impacted if a veteran with a disability becomes employed to ensure that veterans with disabilities are not hindered from joining the workforce;
  - c. remove the earning restriction associated with the Total Disability Rating Based on IU; and
  - d. develop programs and incentives to encourage employers to hire veterans with disabilities.
2. Urges Congress to:

- a. enact legislation which provides that employment in a protected environment is not considered substantially gainful employment for the purposes of a Total Disability Rating Based on IU;
  - b. define *protected environment* to include businesses that make special accommodations for veterans with disabilities; and
  - c. enact legislation that prevents the VA from decreasing a Total Disability Rating Based on IU if the veteran is marginally employed in a protected environment.
3. Asks the Arizona Secretary of State to transmit copies of the Memorial to the following individuals:
- a. the Secretary of the VA;
  - b. the President of the U.S.;
  - c. the President of the U.S. Senate;
  - d. the Speaker of the U.S. House of Representatives; and
  - e. each Member of Congress from the State of Arizona.



# HOUSE OF REPRESENTATIVES

SB 1146

personalized classic car license plates

Sponsors: Senator Griffin

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**DP** Committee on Transportation & States' Rights

**X** Caucus and COW

House Engrossed

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## **OVERVIEW**

SB 1146 authorizes the request for a classic car special license plate to be combined with the request for a personalized license plate.

## **HISTORY**

The Arizona Department of Transportation (ADOT) Motor Vehicle Division (MVD) provides one license plate to every motor vehicle owner for each vehicle registered. Vehicle license plates display both the state name and a number assigned to the vehicle and the owner, as well as MVD issued registration stickers. In addition to standard Arizona vehicle license plates, MVD issues special license plates for a variety of causes and organizations.

According to MVD, there are over 60 types of license plates available in Arizona, including specialized license plates, with the most popular being the personalized license plate. There are six military special plates, two types of handicapped plates and plates for the three state universities. There are also license plates indicating the vehicle's status, such as a farm vehicle or historic vehicle.

The classic car license plate is available to qualified vehicles that are on a list of classic cars filed with MVD by the Classic Car Club of America. The initial application fee for this plate is \$25 and the renewal fee is \$10. The classic car special license plate is made using Arizona copper.

## **PROVISIONS**

1. Authorizes the request for a classic car special license plate to be combined with the request for a personalized license plate.
2. Specifies that if the request is granted by the Director of ADOT, it is subject to both the fees required for a classic car special license plate and a personal plate.





# HOUSE OF REPRESENTATIVES

SB 1240

tobacco tax statutes; reorganization

Sponsor: Senator Lesko

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**DP** Committee on Ways and Means

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1240 reorganizes and makes changes to statutes relating to transport, sale, tax, acquisition and possession of tobacco products.

## HISTORY

Pursuant to Arizona Revised Statutes (A.R.S.) § 42-3201 every distributor acquiring or possessing any tobacco product on which tax is imposed must obtain a license to sell tobacco from the Department of Revenue (DOR). The license is valid for one year, unless revoked, and must be placed in a conspicuous place at the applicant's place of business. For the purpose of carrying out luxury tax imposed on tobacco products, DOR sells tax stamps which are affixed to the tobacco packages.

## PROVISIONS

1. Reorganizes and rennumbers current tobacco tax statutes (A.R.S. Title 42, Chapter 3) into the following:
  - a. Distributors and Retailers of Tobacco Products (Article 10).
  - b. Cigarettes and Roll-Your-Own Tobacco (Article 11).
  - c. Tobacco Products Other Than Cigarettes (Article 12).
2. States that a person may not hold, store or transport unstamped cigarettes or untaxed *roll-your-own tobacco* for sale or distribution in this state, unless:
  - a. The person holds a valid license to sell tobacco and is transporting unstamped cigarettes or *roll-your-own tobacco* from one of the licensee's place of business to another.
  - b. The person is transporting unstamped cigarettes or *roll-your-own tobacco* as part of lawful interstate commerce to a lawfully operating manufacturer, distributor or retailer of cigarettes or *roll-your-own tobacco*.
3. States that a person may not hold, store or transport untaxed *other tobacco products* for sale or distribution in this state, unless:
  - a. The person holds a valid license to sell tobacco and is transporting untaxed *other tobacco products* from one of the licensees places of business to another.
  - b. The person is transporting untaxed *other tobacco products* as part of lawful interstate commerce to a lawfully operating manufacturer, distributor or retailer of *other tobacco products*.
4. Requires a tobacco distributor requesting a refund or rebate for taxes paid on tobacco products to file a report establishing entitlement of such refunds or rebates
5. Stipulates that the report tobacco distributors file when requesting a refund must:
  - a. Be executed by the retailer that paid the taxes the distributor is requesting a refund for.
  - b. Contain the name and address of the retailer and the quantities of tobacco products sold, separated by their categories.
  - c. Contain necessary facts establishing the appropriate amount of refund or rebate.

- d. Be in the form and condition prescribed by DOR.
- 6. Allows DOR to identify additional rules for tobacco distributors requesting refunds.
- 7. Allows DOR guided discretion for accepting alternative forms of proof to establish an entitlement for tax refunds in circumstances where a retailer is uncooperative or no longer in business.
- 8. Directs DOR to prepare and have available stamps which are sold to collect tax on tobacco tax luxuries that have the following characteristics:
  - a. Must be securely affixed to a visible part of the package and remain firmly adhered.
  - b. Must be such that they cannot be removed once attached without being destroyed.
- 9. Requires DOR to establish the method and manner in which tax stamps are affixed to cigarettes and allows DOR to establish procedures for stamp cancellation.
- 10. States that illegally purchased, ordered or transported tobacco products are subject to seizure and destruction, and illegal tobacco products are considered contraband for which taxes may not be reported and remitted.
- 11. Requires a person shipping into the state, other than a manufacturer or importer, to be licensed as a distributor if the person acquires or possesses untaxed *other tobacco products* for sale, barter or exchange, including shipments to Indian Reservations.
- 12. Amends various terms.
- 13. Exempts the Attorney General and DOR from rulemaking requirements for purpose of this act for one year after the effective date of this act.



# HOUSE OF REPRESENTATIVES

SB 1312

fire districts; operations; revisions

Sponsors: Senators Allen: Farley, Farnsworth D, et al.

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**DP** Committee on Ways and Means

**X** Caucus and COW

House Engrossed

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## OVERVIEW

SB 1312 modifies requirements regarding merged and consolidated fire districts, fire district audits, reports and reviews.

## HISTORY

Counties are not statutorily authorized to provide fire or emergency medical services; therefore they must seek fire protection and medical services from other sources. Some form fire districts (Districts) and other counties or county islands contract with a private provider through community associations. Districts are political subdivisions of the state that are responsible for providing fire services within a specified area and are funded by self-taxation of the residents and businesses under the jurisdiction of the District.

## PROVISIONS

### *Audits and Financial Reports*

1. Requires any audit, report or review of a District to be presented to the fire district board (Board) by an auditor during a public board meeting in the following manner:
  - a. Telephonically or in another live electronic format.
  - b. As directed by the Board in person.
2. Directs the Board to take formal action at the public meeting to review and receive the audit, report or review.
3. Requires the audit, report or review to include an attestation by the auditor of the District with the following requirements:
  - a. That the District has not incurred any debt or liability in excess of taxes levied and to be collected and that the monies are actually available and unencumbered at the time in the District General Fund (GF) except for liabilities as prescribed by statute.
  - b. That the District is in compliance with regulations regarding county warrants for insufficient monies in the District GF.
  - c. Whether the audit, report or review disclosed any information contrary to the certification included in the District's adopted budget.
4. Permits a District governed by a three member Board to review the following documents every two months:
  - a. Reconciled balance sheet accounts.
  - b. Certain financial reports, updated cash flow projection reports, month-end fund statements and preceding month reports.

### *Consolidated and Merger Fire Districts*

5. Exempts the governing body of a merged or consolidated District from the requirement to obtained written consent from a single taxpayer residing in one of the consolidated or merged Districts who owns 30% or

more of the net assessed valuation within the District, if one of the affected Districts does not have a single taxpayer who satisfies the requirements.

6. States that an appointed governing body of a newly organized, merged or consolidated fire district shall immediately have the powers and duties prescribed by law for governance and operation of a newly merged District.
7. Directs the Arizona Department of Health Services Director to administratively change, for merged or consolidated Districts authorized to operate an ambulance service, the current name of the ambulance service to that of the newly merged or consolidated District and states that a hearing on the matter is not required.
8. Restricts a merger of two or more Districts or the consolidation with one or more Districts from expanding boundaries of an existing certificate of necessity unless authorized pursuant to statute.
9. States upon the merger of a District, the Districts that were merged are dissolved and no longer exist and the newly organized and merged District is a separate and new legal entity by operation of law.
10. Requires consolidated Districts to transfer all equipment, assets and liabilities to the fire District created by the consolidation.
11. Requires consolidated Districts to transfer all assets and liabilities of whatever description and all books and records belonging to the Fire Fighters Relief and Pension Fund to the fire district created by the consolidation.

*Miscellaneous*

12. Permits a Board to sell or otherwise dispose any real property, facilities or equipment if determined by the Board to be surplus.
13. Makes technical and conforming changes.